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INTRABLOC AFFAIRS

CSSR, Romania Establish Closer Ties

25000443c Budapest NEPSZABADSAG in Hungarian 6 Sep 89 p 2

[MTI report: "Closer Cooperation: Romanian-Czechoslovak Talks in Bucharest"]

[Text] In Bucharest on Tuesday, Romanian-Czechoslovak talks began at the prime ministers' level. At the invitation of Constantis Dascalescu, Romanian head of government, CSSR Prime Minister Ladislav Adamec arrived in Bucharest on Tuesday for an official, friendly visit.

Dascalescu and several members of the Romanian government were present at the airport reception. Bohumil Urban, CSSR first deputy prime minister, accompanied the CSSR government head on his trip to Romania.

The leaderships of both the CSSR and Romania intend to develop even closer political and economic cooperation than they have today. Observers expressed this view prior to Adamec's departure for the two day visit, according to an MTI report from Prague.

In Prague one is reminded of the fact that the CSSR's relations with Romania and with the neighboring GDR have deepened in reverse proportion to the cooling of that country's relations with Poland and Hungary. In the first half of August, Jozef Lenart, Czechoslovak Communist Party [CPCZ] foreign affairs first secretary, paid a 4-day visit to Romania. The accelerated political processes in some Central-Eastern European socialist countries was the subject of discussion, in addition to cooperation between the two countries.

It was noted in Prague that on the occasion of Romania's national holiday the highest Czechoslovak party and state leadership sent an unusually warm telegraphic greeting to Ceausescu, emphasizing "the close alliance between the two parties and states," and the "solid friendship." The eminent character of Czechoslovak-Romanian friendship was also demonstrated by the fact that at a 22 August Romanian embassy reception in Prague all members of the Czechoslovak leadership appeared, including Miklos Jakes, CPCZ Central Committee [CC] executive secretary; Adamec, the federal government head; Jan Fojtik, CC ideological secretary; Lenart, CC foreign affairs secretary; Ivan Knotek, CC economic secretary; Miroslav Stepan, Prague party committee leading secretary and chairman of the Parliamentary foreign affairs committee; and Karel Urbanek, CPCZ Czech committee chairman.

Finnish Reporter Interviews Hungarians Fleeing Romania

36170115 Helsinki HELSINGIN SANOMAT in Finnish 18 Aug 89 p 27

[Article by Jyrki Palo: "Food Shortage and Police Behavior Driving People Out of Country; Romania's Hungarian Refugees Tell of Physical Abuse and Torture"]

[Text] Nyirbator—Hungarians fleeing Romania have stories that make one's hair stand on end about what is happening in this country that is closed to the gaze of the outside world.

Every day, people arrive in Hungary who can, in their opinion, provide strong justification for their flight across the border—especially those who belong to Romania's Hungarian minority.

The refugees' most shocking stories tell of the selling of human brains as food and executions performed by using radioactive radiation.

Rats in Hospital Toilets

The refugees report that rats run around in hospital toilets and that the corridors are lined with rat poison. They say that nurses rob patients of their medications and resell them. Ambulances do not pick up patients older than 65.

Basically, the stories paint a picture of conditions in which everything, right down to basic food staples, is rationed, and those who control the distribution of goods hold the strings in their hands like a band of state criminals.

Food, Electricity, Native Language... on Shortage List

Many of the refugees give as the practical reason for their flight the fact that they do not get enough food, electricity, heat: nothing. And if they belong to the Hungarian minority, they are in addition prevented from using their native language.

Police arbitrariness, corruption, and a really widespread system of informers, because of which people live in constant fear, determine their misery.

At the border patrol station in Nyirbator, there was a woman in her forties from whose eyes tears streamed incessantly. She told us what drove her to abandon her 13-year-old son and leave, even though she was afraid she would be shot.

- "A week ago I was waiting with my son at the railroad station for a priest I know. A policeman came up to me and asked what I was doing there. I said that it was the waiting room and that I had a right to be there.
- "A little way off an empty wine bottle was lying on the ground. The policeman pointed at the bottle and said

that I was a pig because I had drunk the bottle of wine and that I was even teaching my son to drink.

"The policeman ordered me to clear away the bottle. I refused. He took me to the police station, where they demanded that I sign a confession. In it I would have admitted that I had been drunk at the railroad station and behaved offensively to the policeman.

"The confession was written in Romanian. Up to that point I had wanted to speak only in Hungarian. But when I read the confession, the police cried: 'You pig, you do know Romanian after all.'

"I began to talk to them in Romanian about priest Lazslo Tokes and his courage. I said that we Hungarians will be silent no longer. Then the police told me to shut up, and one of them squeezed my throat and left this blackand-blue mark."

Physical Abuse and Fines

There was a large, darkish, palm-sized mark on the woman's throat.

"A couple of days later I received a 1,000-lei fine. That's half of what I earn in a month. That was the last straw.

"Last September a policeman beat my son senseless and left him lying on the grass. My son isn't the only one they've beaten. Nevertheless, I didn't have the courage to take him with me. He stayed behind with relatives."

According to the woman, the police are paid three times the average wage (2,000 leis) and get special privileges.

'One Out of Every Three Is a Spy'

"One out of every three persons you meet on the street is a spy," she said. "If you inform on someone, you get 300 leis. There are special purchases for party members and informers.

"Life there is terrible," the woman said. "You don't get enough food. Meat is available only on May Day, and you have to fight for it. We didn't get any sugar at all last month."

A young couple that had crossed the border the same night said that "the most horrible thing is that we do indeed get goods on the black market."

"That's why everyone has to steal—so that they can use the black market. In midyear of last year all that the pharmacies had was tea. You can get penicillin and painkillers only on the black market."

None of the refugees wanted their names or where they came from published since all of them have relatives in Romania. Fear for the fate of relatives remaining behind in the country is an obstacle to those who want to flee.

Coffee and Food as Currency

By all accounts, coffee and food have been transformed into the country's real currency. If one needs a doctor, one has to bring him a package of coffee or food as a bribe. Foreign cigarettes, too, especially Kents, are hard currency.

The female half of the couple had had experiences with hospitals. Patients get water in hospitals only during a half-hour period each day, she said. When her appendix was operated on, there was a power outage, and the operation had to be finished by the light of a kerosene lamp.

According to the couple, bread is no longer rationed near the border. But in the central areas of Transylvania, where they spent their honeymoon, people eat only corn, they recounted.

Among the refugees there are also a few who, for one reason or another, are trying to go back. One of these was 17-year-old Maria, who was waiting at the border patrol station in Nyirbator for transportation to the border.

Maria was pregnant and she had heard that her boyfriend had been caught trying to make a run for it. Maria had worked in a shoe factory in a small Hungarian town for 2 months, and she was also homesick for her parents.

She said that she believed that she would not receive a stiff penalty when she returned because of her youth. She did not, however, know what her arrival held in store for her. "They'll probably beat me," she said.

Those who had crossed the border at night left on the train for Budapest, but Maria got onto the small bus that was leaving for the border. Her hands were drenched with sweat.

Refugees Are Increasingly Romanians

As of the present time, officially, there are 17,000 refugees from Romania in Hungary.

The unofficial estimate is 30,000, a figure that Reformed Church parson Jozsef Szloboda of Budapest, among others, regards as coming fairly close to the truth.

According to the estimate made by Szloboda, who directs refugee aid for his church, 2,000 or 3,000 refugees have gone on to destinations outside of Hungary.

Szloboda did not recall having heard any of the refugees mention that they wanted to go to Finland, but a start has been made at the Finnish Legation in Budapest, with over 10 visa applications. Only four of them were approved. The legation has received dozens of inquiries.

Until February 1988, Hungary often returned those who had crossed the border to Romania unless they had relatives in or other strong ties to Hungary. Since then, anyone who wants to has been allowed to stay.

At first, the Reformed Church and the Catholic Church helped refugees to survive. Later, the Red Cross and the cities and parishes stepped up their efforts to become the biggest aid providers. From all of them the refugees receive aid in finding their first place to stay and employment, and in procuring clothes, food, and money.

Since most of the refugees belong to Romania's Hungarian population of 2 million, they generally have a relative or acquaintance who can help them get on in the world. And they apparently do not have very great difficulty in finding work, either.

As the stream of refugees continues, the percentage of Romanians has grown. According to Hungarian Interior Ministry, they now account for from 30 to 37 percent of those who arrive. They have greater difficulty in adjusting than do the ethnic Hungarians and they generally want to relocate out of the country, whereas the Hungarians want to remain in Hungary.

In Bicske near Budapest a refugee camp in which there are chiefly only Romanians has been in operation for over a year. They have no jobs, no homes. Often they would like to migrate westward, to Canada or the United States.

There is room for about 300 people in Bicske. The camp is at present administered by the state. Those who work with the refugees in Hungary are hopeful that the UN Refugee Administration Office will help the Romanians to migrate to third countries when the agency in due course opens its doors in Hungary.

Romanians have occupied railroad cars in Budapest, demanding admission to Austria, which does not want to accept them.

Problems are also caused by the fact that a certain number of criminals, alcoholics, and secret service (Securitat) spies come in from Romania. Parson Szloboda says that the government ought to be more careful about who gets residence permits.

CZECHOSLOVAKIA

Realistic International Relations Called For

24000167a Prague LIDOVA DEMOKRACIE in Czech 9 Jun 89 p 1

[Article by J. Hramadko: "Applause for the New Thinking"]

[Text] To write about an international subject, just as about any other subject, has lately become a substantially harder nut to crack than in the past, even the very recent past. Stated in a somewhat simplified way, in the past one really wrote on just one subject in the international arena, gathered the facts, derived conclusions from them, and there you were. Actually the key point,

making conclusions, was a certain stereotyping in thinking: this is white, this is black, and everything is actually clear beforehand.

Now it is neither so clear nor so simple. Things have started to move in the international arena as well, thanks particularly to the fact that all at once, as a consequence of the restructuring in the USSR and the new thinking resulting from it, our nearly round world has become truly understood to be a united body and not two worlds. Of course, different viewpoints remain; we look at the problems of international politics one way and the West looks at them another way. What has actually changed is the method by which these problems will be solved. A desire has sprung up to think with other person's mind as well and to look at things with his eyes. The entirely basic desire has appeared to see things in accordance with the facts and not aaccording to one's wishes, to perceive them as they develop in keeping with reality. So it is really not possible ever to write about just one subject and nothing is clear beforehand.

Why this self-criticism? Because the time has come for it and the rules for new thinking are becoming obligatory for everyone who wants to think at all. Let us take a look at its individual postulates in the international arena itself. "The basis of new thinking is recognition of the priority of universal interests and values and generally recognized norms of morality as the mandatory criterion of any kind of policy," says the highest Soviet representative M. Gorbachev in his address "On the Main Directions of Internal and Foreign Policies of the USSR" delivered at the Congress of People's Deputies currently being held. And he underscores the necessity of getting rid of ideology in the relations between countries. He says, "Regardless of the deep differences in the social systems, in each of them the objective opportunity has appeared to enter into a basically new period of peace in the history of humanity." Thanks to the fact that the necessary practical steps have been derived from this thesis in the USSR's foreign policy, the world has become safer and solutions to questions of conflict have become more likely, an actual process of disarmament and the reduction of tensions has begun in many of the old hot spots, and there is a chance to continue in the process of reaching agreement.

Let us use as a starting point one of the basic precepts of Marxist philosphy that in the process of getting to know a world which is changing, a person himself changes. This is the starting line for a new thinking in a contest without an end, but not without a goal. This goal is a socially just and peaceful world in which man would truly be put first and his interests and needs would be the motive for all actions. This sounds like Utopia again, but without this idea in mind there would be no progress, neither in thought nor in deeds.

Thus we have not one international subject, but the interconnection of several. Not two worlds, but one, even though one of conflicts and full of contradictions, which is a unified whole in which there is an obvious

interconnection which we cannot ignore and from which we must derive our thinking and then our actions. Of course, we also cannot ignore the danger in overlooking these conflicts, in making light of them, or even denying them. That would be the other extreme which would likewise be resisting the new thinking. It is also not possible to turn one's back indiscriminately on all previous viewpoints and methods in the foreign policy sphere, just as it is not possible to disarm immediately in a wave of unrealistic pacifism. The time for getting rid of arms will inevitably come and it is necessary to do everying possible to speed up that process and at the same time to take care that the present weapons do not block any present or future attitude toward forming international relations.

The current foreign policy of the USSR is giving the signal as it differs from the earlier policy in a basic qualitative way. It turns to the entire world and does not undercut the other side, but rather is eager to meet it halfway in reaching an understanding. Thanks to this the world is safer than before and thanks to this above all our continent, until now packed to bursting with weapons of all sizes, is at the beginning of a realistic path toward removing the undesired "stuffing" of war materiel. This will be the path of understanding and cooperation which is a greater guaranee for a peaceful future than any quantity of weapons, however large.

A clear result of the new thinking in international relations is thus the growth and intensification of trust. It is truly a qualitative step forward even though we are not necessarily aware of it on a day-to-day basis. It is true that many negotiations, particularly those on disarmament, drag on interminably, but there exists a real chance for positive results and it cannot be left unused. The common European house, the metaphorical future Europe of good neighborly relations, is indeed being built slowly, but surely. And the fears from the recent anniversary meeting of NATO concealed the feeling that even the members of that alliance are aware of the new times. According to the evaluation of Soviet foreign minister E. Shevardnadze, the results of the meeting are bringing less confrontational sterotypes than in the past and the proposals which the President of the USA G. Bush put forth in Brussels are considered by the USSR as constructive and go a long way toward meeting up with our position.

New thinking is taking the other's views into account and is a dialogue between equals. it is the use of political or diplomatic means instead of military ones, negotiations instead of administrative actions, and the rejection of force. As in all areas, there does not exist any reasonable alternative in the international arena, no other path forward. The differences in views and values which the individual members of the international society recognize cannot and must not become an obstacle to reasonable and urgent decisions. In the process of recognizing the changes taking place in the world, man truly changes himself.

Regime's Glasnost Criticized for Lack of Effectiveness

24000162 Prague RUDE PRAVO inCzech12 Jul 89 p 3

[Article by Milan Geryk: "Not Anonymous, but Identified"]

[Text] I read with interest the article by Josef Miklulec published in HALO SOBOTA No 7 (18 February 1989) under the title "Let's Refrain from Reflexive Pronouns." The author humorously criticizes the method by which we write and speak in a roundabout manner and irrelevantly in connection with negative matters in our economy.

He points out the misuse of reflexive pronouns, for example in stating "the plan is not fulfilling itself," or "prices have risen without justification," etc. Yes, this general formulation which, when all is said and done, does not involve anyone is commonly used in evaluating deficiencies. It is comfortable and the specific guilty party remains nicely anonymous with nobody getting mad.

When I finished reading the article, I asked myself if it is directed at a general criticism or if it relates to self-criticism in the nature of an alibi and to whom the article actually refers. The originators of the deficiencies cited can hardly fail to know who they are.

In my opinion it should have been addressed to those people who write and speak in such a manner, that is, to our media (especially the daily press) and officials. We routinely read these formulations in the newspapers and hear them in speeches. Criticism of shortcomings is still not very specific and their causes and those responsible for them usually remain concealed, which blunts the effectiveness of the criticism.

Our "glasnost" is somehow timid and not forceful and therefore is not very effective. When there is any specific criticism, it is addressed at the level of the factor and the enterprise, the level of the lowest elements. But let us recognize the fact that it often is not within their sphere of authority or capabilities to get rid of the deficiency being criticized. The okres and kraj national committees, the ministries, and other central agencies and institutions remain outside the focus of criticism even though they have a much greater degree of authority. This is not logical. Do they not perhaps bear their share of the blame for some of the shortcomings which we are encountering today? The public has the right to find out who issued unsuitable directives, where the mistake was made, what its causes are, who (or what) caused it, and how it will be corrected.

We often speak and write about serious deficiencies in our economy and in the protection of our environment or in education, but it seems as if nobody has been in control, as if no one had given orders and instructions, as if nobody bore the responsibility for their quality and effectiveness, for their execution, or for errors as well. This indirectly helps to create the view that all the factors which cause our economy and other departments to lag behind are peculiar to our society, as if they were an integral (and unavoidable) phenomenon of socialism. Is this so? I am convinced that it definitely is not so.

Let us prevent the idea from taking hold that it is simply objective circumstances which have led us into this situation, that we should have to go through all the erroneous stages. This would deny the importance and contribution of people, the subjective factor.

The person who is given the authority and who makes decisions also bears the responsibility for his decisions. Let us not shrink back from openly pointing out in the interest of socialism and of our party not only what we have done badly and what shortcomings we have, but also where their roots are and who is responsible for them, whether it is society as a whole, the collective, or the appropriate responsible employee. We can thus best learn from our mistakes and thus each person will be more aware of his personal responsibility. The interconnection of personal relationships and personal interests should take second place to the interests of society and the shortcomings of individuals should not be transferred to the socialist system or the entire party.

It does not matter to society whether someone makes a mistake because they are not up to their jobs or if they make it in good faith or deliberately. The results are the same and all employees pay for it. Forecasts which are not objective and unrealistic ideas about the development of our society and the conclusions which are made from them have unfortunate consequences with great financial losses and losses in morale (for example, that motorcycles have no future, that wool will no longer be used, that houses will only be mass produced from panels, that crime will wane under socialism and that everyone will work conscientiously, etc. etc.). Today nobody knows who came up with these views and spread them, even against other people's views. There is therefore an urgent need to fill the supervisory positions with principled and aware comrades who are experts capable of sound judgment and realistic prognosis without oversimplified (and sometimes even naive) ideas about the development of our economy and the entire socialist society, who think in a creative manner unburdened with dogmatism.

There is nothing unnatural in the fact that we make mistakes in building a new society, but we must know how to uncover and rectify them rapidly and not to persist in them for decades. If we are going to speak generally about serious shortcomings (for example, that "some ministries" are not carrying out the resolutions of the CPCZ Central Committee) and we do not explain specifically how (and by whom) this was caused and how to correct it, we cannot then wonder that this is also one of the reasons why many employees remain lukewarm about restructuring or doubt its successful outcome. They feel that socialism is not capable of rapidly correcting shortcomings in the economy. In the Soviet

Union comrades were not afraid to look back on the distant and recent past as well and to evaluate the role of individuals in the mistakes. Let us not be afraid to follow their example in this case.

It is not the exception that the resolutions of our highest party agencies are carried out lackadaisically and ineffectively in some places, sometimes even contrary to the spirit of the resolutions and that we cannot hold some officials up as models of morally and politically mature and professionally educated employees. It could only be helpful if the party would publicly distance itself from those officials who commit errors and misfeasance, who have not proven themselves competent, did not get the job done, and did not behave as Communists should. The errors of individuals about which we keep silent are put on the slate of the entire party.

We have not yet succeeded in achieving one of the main principles of socialism—from each according to his abilities, to each according to his work. On the contrary, we have introduced equalitarianism into practice. We talk about the importance of education, but a mason or a street cleaner is rated higher than an engineer or a teacher. We announced the slogan "Everyone the Manager of His Own Work Area," but we allowed a high degree of confusion and slovenly work became widespread. The average employee does well here, but so do the various tricksters and dishonest people and we still undervalue capable and honest employees. We condemn bureaucraticism, but it continues to flourish here and complicates the path toward restructuring with its outdated regulations.

All this has had and still has a negative effect on employees' (but not just on employees') morale. The hard workers and capable people have adjusted to the less diligent and less capable.

All this has blunted the effectiveness of the announced programs. Let us prevent this and give the slogans and socialist principles their proper weight and bring practice into line with theory. This will not take place by constantly repeating principles, but by us fulfilling them with deeds.

Socialist Party Discusses Reactivation

90EC0011a Prague SVOBODNE SLOVO in Czech 26 Sep pp 1, 4

[Report on the meeting of the Presidium of the Czechoslovak Socialist Party: "In the Interest of Society"]

[Text]

On Further Cooperation Among Political Parties in Czechoslovakia

Prague (css)—At its Monday afternoon meeting, the Presidium of the Czechoslovak Socialist Party (SPCZ) Central Committee, conducted by the party chairmam brother B. Kucera, continued the planning of the 10th plenary session of the Central Committee of the party,

which was called for Wednesday, 4 October, to discuss the reports of the presidium of the Central Committee on the political aspects of morality, upbrining, and education during the process of the democratization of society. This report will be presented by a member of the Presidium of the Central Committee, brother O. Bursky.

The Presidium of the SPCZ Central Committee focused its attention on the results of the working session on Thursday, 21 September, in the building of the Central Committee of the CSR National Front. Participating were the chairman of the Central Committee of the CSR National Front, member of the presidium of the CPCZ Central Committee and chairman of the Committee for CPCZ Party Work in the CSR K. Urbanek, chairman of the Czechoslovak Socialist Party brother B. Kucera, and vice chairman of the Central Committee of the CSR National Front R. Dusek. The agenda of this working session followed up the discussions of the CPCZ Central Committee on Thursday, 14 September, which in its resolution underscored the importance of further development of cooperation of the CPCZ with the other political parties in the National Front, and the approach of the CPCZ toward these parties as their allies, as independent entities in the creation, realization, and control of the policies of the National Front.

The concept of how to develop further the cooperation among the political parties on the principle of mutual respect, support of their independence, respect for their knowledge derived from political activity, and common search for solutions to current problems in the interest of a real activization of the National Front and in the interest of the entire socialist society was based on the detailed information given by the party chairman brother B. Kucera about the mentioned working session on 21 September.

The Presidium of the SPCZ Central Committee, in accord with the conclusions of the 21st nationwide conference of the SPCZ in 1987, and in accord with the conclusions of the SPCZ Central Committee at their individual plenums following the nationwide conference, summarized and emphasized the stimulative ideas held by the SPCZ on a number of present and future questions in the life of the socialist society. For that reason it also identifies itself with the concordant position of the representatives of the political parties at the mentioned September working session, that these ideas should be put to use more than has been the case thus far. And that the standing of our party should be reflected also in the corresponding placement of SPCZ members in directorial functions in state agencies, in national committees, as well as in the agencies of the National Front itself, and particularly then in the most diverse workplaces if they possess the necessary skills and qualifications.

The Presidium of the Central Committee of our party expects that in this manner the role of the political parties in society and their authority in the political work among the public will be strengthened as well.

The Presidium of the Central Committee of the party emphasized the political contribution of another study trip by the functionaries of the SPCZ to the Soviet Union, and thus also the successful continuation of the tradition of these trips which in our party has continued for more than 30 years. The general secretary of the party, brother J. Skoda, who led a group of SPCZ functionaries in this year's September trip on the route Kiev-Odessa-Yalta-Moscow, described in his report his specific impressions of the current restructuring of the Soviet society, of his friendly reception in the Soviet-Czechoslovak Friendship Society, and of frank roundtable talks in several factories and cooperatives as well as in the editorial office of the PRAVDA UKRAJINY, a journal comparable to the SVOBODNE SLOVO.

In further proceedings the Presidium of the SPCZ Central Committee approved the plan of the central agencies of the SPCZ for the 4th quarter of 1989 and the reports on party education during the period 1988-89, which were presented by Central Committee Presidium member brother L. Kapitola. It also discussed situation reports of regional secretariats of the party and responses from membership meetings of basic organizations, and other party actions of the past several weeks.

Individual members of the Presidium described what they learned at the important meetings of district party committees currently taking place, whose agenda is oriented toward th current main tasks of the party at the start of the fall season.

Air Pollution Still Serious Problem

24000197 Prague SVOBODNE SLOVO in Czech 16 Sep 89 pp 1, 3

[Interview with Eng Milan Horsky and Doctor of Natural Sciences Jiri Hazlicek: "On Environment"]

[Excerpt] We are talking with Eng Milan Horsky (member of the Council and chairman of the Commission on the Environment of the Prague National Committee) and Jiri Hanzlicek, Doctor of Natural Sciences, (from the department for the protection of the atmosphere and environment of the CSR Ministry of Forest and Water Management and the Wood Processing Industry).

[Question] The improvement, or, to put it better, the necessity to quickly improve the quality of our air, is meeting with considerable difficulties. In fact we are talking about two conflicting issues: ecology and production plans.

[Answer] At the international level, the CSSR signed the convention on reducing emissions of sulfur oxide by 30 percent by the year 1995. Then consequentially a committment not to increase the amount of nitrogen oxide emissions. From our point of view, the minimalization of noxious matters especially in the stressed regions of

the country is a necessary precondition for further development. The permanent state of pollution of the countryside, forests, nature, but above all people (!) is the direct consequence of the high output of energy, particularly from the burning processes.

Because of the constant delaying of solutions and also because of a number of resolutions, we are now faced with the fact that to this day even the largest thermal power plants in the CSSR are not provided with any form of desulfurization equipment. Similarly, that is also true of tens of thousands of other boiler rooms, about which there are justifiably many complaints. Too much reliance was placed on a rapid development of nuclear power, which, however, is behind schedule for a number of reasons. Also, the actual prognosis for reducing the energy intensiveness of the national economy, which would make possible gradual cuts in the output of thermal power plants and thus also the reduction of emissions, is not convincing. The ecologically bleak reality is that the power industry will find itself in a strained supply and demand situation. From that viewpoint, the fulfillment of our international obligations, but also of the basic demands of all ecological categories, is in fundamental conflict and contradiction.

[Question] The concentrations of pollutants become significantly worse during the winter heating season.

[Answer] In most of our towns the local method of heating with coal with an ever higher sulphur content persists. The transition to high grade fuels (gas and electricity) is very slow. The existing regulations for converting local heating to gas are enough to discourage thousands of owners of small family houses. At the same time, the total of their emissions, which are dispersed at a relatively low level above the ground, certainly is not negligible.

We must also add transportation (freight, mass transportation in towns, private cars) and the volume of emissions they produce. For example, cars contribute about one third of the air pollution. Nevertheless, even in this instance ecological policy remains at a dead stop. That can be documented, for example, by our new car Skoda-Favorit; in advanced countries most of the new vehicles are already equipped with catalytic converters. To put it briefly, during the period of restructuring we will be faced with the need for enormous effort, much self-sacrifice, initiative, and above all financial resources to reverse the problem of acceptable air quality which has been consistently left unresolved for many years.

[Question] In winter, as a result of changes in the usual meteorological characteristics (such as heat inversion, little air circulation), smoggy conditions develop in many of our industrial areas.

[Answer] These episodes are called unfavorable meteorological conditions. They are marked by high concentrations of a number of pollutants released into an "enclosed area", in which as a result of a practically dead calm no mingling of air masses occurs. Although these

are only short 3-6 day episodes, their negative effect on people as well as nature is recognized abroad, particularly as regards risk groups of citizens with respiratory and heart problems and children.

Among the already generally best known pollutants, which are being constantly released into the atmosphere by hundreds of thousands of smokestacks of power plants, central heating plants, heating plants, boiler rooms, chemical and industrial plants, iron and steel works, domestic furnaces, and motor vehicles are sulfur oxide, nitrogen oxide, carbon monoxide, hydrocarbons, dust, and trace amounts of heavy metals. The subsequent redox reactions then produce secondary compounds. In this group, for example, monitoring the ozone in the ground-level atmospheric layer is now becoming increasingly important.

Again, roughly half of this volume is produced by the burning of fuels, and the rest is the result of reactions of nitrogen oxides and hydrocarbons with the aid of sunlight. Higher concentrations cause damage to vegetation and forests, in people they are a contributing cause of respiratory tract diseases. These are strong, even toxic substances, causing damage to the national economy in the billions in agricultural and forestry production, construction, steel constructions, and also to historical monuments (the estimate is Kcs 5-7 billion a year, not including the harm to health).

[Question] Certainly everybody will be interested in how this damage is being monitored.

[Answer] It needs to be said that the expression used is somewhat exaggerated. We have been talking already for 20 years about the fact that a program for manufacturing and importing measuring instrumentation for monitoring air quality has not been put in place, while solutions within the framework of socialist integration did not bring any results. As a consequence, measuring is either not done at all, or it is inadequate and restricted mostly to sulfur oxide. Most important, however, the instruments are technically obsolete. That is true both for the control of the air which we breathe, and for the direct control of emissions released by power plants and industrial complexes.

Given this situation, as a consequence of the political and ecological necessity to predict the development of unfavorable meteorological conditions in the North Bohemian region, the construction of operational measuring systems was begun, which will make possible a continuous monitoring of air quality. The first one was completed in 1984, and included 13 stations located on open land in basinlike land formations. Because no measuring technology nor means for importing it were available, instruments based on electrochemical principle were assembled by nonproductive processes to detect sulfur oxide. Additional electronic equipment made possible long-range transmission of the measured values to the computer center of the directing agency. A similar method was used to build in the CSR 11 stations

in Prague and 12 stations in the Ostrava region, and similarly also in Slovakia in Bratislava and Kosice.

[Question] And is there at least the possibility for serious regulatory measures?

[Answer] In the CSR systems, with considerable difficulties, mostly without a legislative foundation, regulatory measures were worked out with the help of resolutions of the Czech and federal governments for crucial industrial and chemical plants. They are being used in the North Bohemian region and are ready to be used in Prague and in the Ostrava region. In addition, an ordinance of the National Committee makes it possible to forbid the use of motor vehicles in Prague. At the same time, in all the above mentioned regions the so-called compensatory regimes have been devised, which make possible special approaches in the school, health, and social spheres.

By the maximum use of regulations it would be possible to limit emissions of harmful substances for the duration of unfavorable meteorological conditions by about one third. For example, in the North Bohemian region in 19 regulatory episodes the output of thermal power plants was reduced by 500 MW. But the reductions proved to be insufficient, and they will obviously be replaced by a nationwide regulation of the consumption of energy in the enterprise sector. Obviously with a great impact on the economy, on which we are unable to comment at this time. In any case, at issue is a principle which in other industrialized countries has been in operation for more than 15 years.

[Question] The introduction of monitoring systems together with regulations in the CSR has met with great interest among the public, with many inquiries as well as criticism.

[Answer] There is no arguing about one thing, however: even in this country we have started on the road toward a new technology of monitoring the atmosphere. The word "started" fully characterizes the situation, because in contrast with other developed countries our systems are for the time being technically imperfect. The reason for that is the mentioned discrepancy between the need for and the availability of monitoring technology and economically affordable telemetric transmission lines. It only remains to point out that the operation, with enormous difficulties, is supported by the CSR Ministry of Forest and Water Management and the Wood Processing Industry—the national coordinating organization for the protection of the atmosphere, through the agency of the appropriate branches of the Czech Hydrometeorological Institute.

[Question] In this part of the protection of the environment the first step forward was taken. The question is, what happens next?

[Answer] The plan for the future is clear: the systems need to be further improved, the network of monitoring the pollutants broadened and increased, mainly as far as nitrogen oxides, particulates, and ozone are concerned.

Of course, if the necessary foreign currency resources in the amount of Kcs 150 million from the state plan on ecology investments are not secured in time, all our operational systems will end their operations prematurely before the year 1991. On the other hand, importation of equipment would make possible the necessary extension of the North Bohemian system into district towns Usti Nad Labem, Chomutov, Most, Teplice, Decin, and Litomerice, and also new construction in Sokolovsko, Melnicko, and improvements in Prague.

It is necessary to start on the road to a systematic international cooperation in a joint program of monitoring and evaluating air quality. It would be definitely useful if every country would combine the separately performed evaluation of transporting pollution over common state borders with the thus far fragmented monitoring not only of the atmosphere but also of acid rain and other basic components of the natural environment. The idea is to introduce a program of integrated monitoring, including biological aspects, to also find the reason why forests are dying. For the other group of controls, legislated control of emissions from smokestacks of the power and other industries, aimed at ensuring adherence to the emission limits on discharged pollutants (general worldwide practice), it is necessary to establish domestic cooperative production with a foreign company.

[Question] For the time being, even under difficult, one can say penurious, circumstances some improvements have been readied for the coming winter season.

[Answer] The introduction of regulatory measures in Prague has involved thus far only one possibility, that is, attaining or exceeding the limit of 400 micrograms of sulfur oxide per cubic meter. But, of course, sulfur oxide is not all there is to air pollution. For this year, plans are for another limit of 400 micrograms of sulfur oxide per cubic meter, and in addition a guide number for the total of allowed amounts of sulfur oxide and nitrogen oxide at individual stations. And as far as obtaining data about concentrations of particulates is concerned, also a limit of 800 micrograms for the total of concentrations of the combined measurings of sulfur oxide and particulates.

Briefly put, the possibilities for issuing regulatory measures and compensatory regimes have been extended to three to four circumstances as against the existing single circumstance. [passage omitted]

HUNGARY

Political Breakdown of Parties, Factions Given

25000463 Budapest MAGYAR NEMZET in Hungarian 29 Aug 89 p 5

[Article by Andras Bozoki: "Who Will Society Support?"]

[Text] During the past year the previously covert ideological fragmentation of our society has become more open. Instead of talking merely about differing ideological circles and systems of values, nowadays we can distinguish varying political trends. In my opinion one can observe seven such major political trends in today's Hungary.

The Logic of Hostilities

Today the extreme left of the political spectrum is occupied by the forces of Bolshevik conservatism. Their model is a Leninist-Stalinist type of political system, characterized by a centrally planned economy and oneparty control, in which state and party functions are closely intertwined, and the functions of spontaneously organizing bourgeois society are replaced by central leadership and mobilization. The political system follows the logic of hostilities, according to which society on its own would sink into confusion and chaos and thus needs a higher consolidating avant-guard, elite leadership. Bolshevik conservatism places the requirements of order and discipline above everything else, because it looks at conflicts not as phenomena inherent in society's operation, but rather as societal anomalies and dysfunctions. Its adherents are committed to preserving the existing political and economic alliances and staying away from the Western marketplaces, because they believe that these are the methods for preserving the previous stability. In this category we can mention the Munnich Ferenc Society and the so-called Marxist center of the MSZMP [Hungarian Socialist Workers Party], that is, the Leninist-Kadarist circles of the party. The social basis of this trend is made of those who have been the beneficiaries of the Stalinist and post-Stalinist regimes, and whose power and influence has declined since the MSZMP's May 1988 conference. On account of their age and their ideological commitment they cannot, and would not, "switch" to the pragmatic or reformist factions. They feel that their primary task is to evidence resoluteness, because any other course of action would be "divisive," revisionist, and would favor the "forces of restoration." It is fair to assume that they have more adherents among the senior members of the party apparatus and in the ranks of law enforcement agencies than among the rest of society.

The second trend is that of the pragmatic technocrats. They are not characterized by the above-mentioned ideological commitment; rather, they represent neutral values, conformity, and adaptability. For them the most important matter is stability and preserving their own power; in order to achieve these, they are even willing to agree to certain reform measures. They are the ones who earlier used practical rather than ideological arguments on behalf of maintaining the one-party system, and now (for similarly practical reasons) they have deserted their former position without hesitation. They think highly of party unity and the principle of democratic centralism. They feel that pluralization is less harmful if it occurs in society than if it affects the party, because the latter would present a more direct threat to them. This faction includes the greatest segment of the party's bureaucracy and the state administration, the broader party elite. Because of the neutrality of their values, it is unlikely that they could operate as a true political party. In the event of a possible breakup of the party, about half of them would join the reformers, while others would choose the conservatives. Their decision would be influenced primarily by which side would prove to be stronger. However, they feel no identification either with the dictatorship of the previous decades or the reform movement organizing at the grassroots level. They would be inclined to favor a dictatorship of reformers, but they are not in a position to compel society to accept this alternative. In order to preserve their power, they are equally likely to serve the reformers or those that propose a partial return to the former status quo.

The third trend is made up of reform communists and democratic socialists. Their fundamental value is socialist democracy, because they feel that socialism and democracy are compatible and the system is capable of being reformed. In order to achieve this, they propose radical reforms while there is still time. They feel that state socialism is not the only way to establish a socialist system, and their demands include those for local selfgovernment and direct participatory democracy; that is, their primary goal is to increase society's participation in the political process. In contrast with the existing socialist systems, they project the image of an antietatist, "ideal" socialism, supporting their arguments in part with the early writings of Marx or with non-Marxist socialist traditions. Their goal is to implement democratic processes not only in politics, but also in economic life, in the form of workers' councils, cooperatives, and self-governing communities. Of course they support the idea of a multiparty system, but they add that such a system would only create competition among the various elites, and would not necessarily guarantee society's participation in the decisionmaking process. They sharply reject the Stalinist idea of emergency dictatorship, but at the same time they are also repelled by the competitive methods of capitalism. They accept the idea of a mixed economy, but question purely economic rationalization. They would be willing to sacrifice effectiveness for the sake of solidarity.

Among adherents to this trend we find the reformers in the MSZMP and the Association of Leftist Alternative (BAL), as well as the majority of DEMISZ [Hungarian Democratic Youth Organization] members. While the reform circles were organized primarily for political action, the Leftist Alternative was brought into being mostly for ideological reasons. This trend can count on the support of political leaders who have retained credibility, and this means that in the event of an election it could attract large numbers of intellectuals and members of the middle class.

The Welfare State: Basic Principle

The fourth trend is the social democratic movement, which today is divided and exists in a state of split consciousness. The basic principle of the social democrats is the welfare state, and their models are the

Western states where this has been brought to reality. They feel that this could be best achieved through a multiparty system, a mixed economy, and the implementation of decidedly compensatory social policies. In spite of similarities and shared values, they differ from the reform communists in several regards. For one thing, they do not insist on retaining a socialist system for society; as a matter of fact, most of them would prefer to see capitalist type production and bourgeois democratic forms. Also, instead of promoting direct participation in the nation's political life, they like to think in terms of representative participation and trade unions.

The present split consciousness of the social democrats is caused by the fact that they entertain two entirely conflicting party views: a traditional one, and one based on the contemporary image of their counterparts in Western nations. According to the traditional view, the Hungarian Social Democratic Party (MSZDP) is a Marxist class-based party, the authentic representative of the working classes, which should take up operation at the point where it was forced to cease in 1948, when it merged with the Communist Party. The other view is that the party should follow the example of social democrats in the West, that is, it should become a democratic people's party. Its adherents see the Social Democratic Party as a bourgeois democratic movement which, ridding itself of its Marxist commitment, represents the ideas of social equality and justice within a capitalist society.

The views of social democrats can be found not only in organizations that declare themselves affiliated with that party, but also (in accordance with the above-mentioned division) in statements issued by certain MSZMP factions and the DEMISZ, or (looking at it from the other side) in positions stated by the Alliance of Free Democrats (SZDSZ) and FIDESZ [Association of Democratic Youth]. The party's electoral basis could be composed of members of the urban middle class and the industrial workers.

The next trend of the political spectrum is made up of radical and liberal democrats. The views of its adherents are focused on bourgeois rights, as embodied by a multisectored market economy, a multiparty system based on parliamentary representation, and the recognition of basic rights to be accorded every individual. Located near the center of the political spectrum, this trend includes the somewhat left-of-center individuals who sympathize with the social democrats, as well as those somewhat to the right of them, the pro-Anglo-Saxon liberal conservatives. Their various platforms also agree in that they reject the idea of a "third road" (between capitalism and socialism), and see Hungary's future in catching up with the rest of Europe and intensifying a Western system of values.

The best known representatives of this trend are the Alliance of Free Democrats (SZDSZ) and the Association of Democratic Youth (FIDESZ), but signs of economic liberalism are also present in the ranks of the Smallholders' Party (FKGP).

The next political force is that of democratic populism, which has its starting point in the concept of a "third road." Such populist ideology is a social characteristic of countries and regions that have been swept to the periphery; in fact, it is nothing more than a peculiar attempt to overcome the disadvantages born out of the region's retarded development, often combined with a characteristic political style that attracts several strata of society. The populist system of values is imbued with a need for, and demand of, organic development. According to its adherents, the nation should not follow global ideals, and thus speed its denationalization, but should create an ideology growing out of its own collective identity and in accord with it. According to populists, society is basically a moral phenomenon, and even economic or political changes are primarily judged in the light of moral values. Since, in their view, the economic and political spheres do not touch the nation's underlying strata (which are based on moral grounds), they consider relevant ideologies (liberalism, socialism) to be factors with certain importance, but alien in nature that do not penetrate to the national substance. Not unlike the reform communists, populists consider democracy less of a formal and more of a substantive matter, in that it must conform to the national psyche. Where the former talk of socialist democracy, the latter call for a Hungarian democracy.

Democratic populism accepts the multisectored economy and the marketplace. Its ideal is a "Garden Hungary," made up of cooperatives, individual enterprises, and workers' councils—a society devoted to community action. Populists view a multiparty system as necessary, but not sufficient. When it comes to developing a political system, they attribute greater significance to popular self-government relying on and growing out of communities. This trend pays great attention to the situation of Hungarian minorities living beyond the nation's borders, especially to the developments in Transylvania. In view of the fact that the populists' attitude vis-a-vis politics, as a distinct social activity, is ambivalent, their approach toward any government is similar, and they are ready to criticize and accommodate at the same time.

God, Country, Family

In this category we may mention first of all the Hungarian Democratic Forum (MDF), which initially placed itself between those in power and the opposition, and only since April has it assumed (under pressure from its membership) an opposition stance. A similar attitude is characteristic of the Independent Smallholders' Party which, however, made an unequivocal decision at its formation as to whether to become a "party or a movement." The third significant representative of this trend is the Hungarian People's Party (MNP), and finally, somewhat less importantly, we can also mention here the Bajcsy-Zsilinszky Fraternal Association. As for the social basis of democratic populism, it is likely to come primarily from the ranks of provincial intellectuals and middle classes, the entrepreneurial strata, and the populace of

the countryside in general. Aside from the MSZMP and MSZDP, these are the organizations that can most likely count on the votes of those below the middle classes.

The final significant trend, located unequivocally to the right of the center, is one that embraces the populist and religious conservatives. A romantic image of nation and community is at the center of their attention. In their rhetoric, democratic practices are replaced by an emphasis on authority and historical traditions. In their view, the various units of society are traditionally collective entities, compared to which individual rights are secondary. They too look at the nation as a community of values and moral entities, the axis of which is occupied by the ideals of "God, country, and family." They also feel that parliamentary representation and a multiparty system are necessary, and instead of just minority and human rights topics, they consider the situation in Transylvania a fundamental issue. They keep alive the discussion concerning the harmful effects of urbanization, industrialization, and overtime, as well as problems such as the country's declining population, the increasing number of divorces, the breakdown of the family unit, premature mortality, abortion, and social deviations in general. At times, their views contain elements of anti-Gypsy, anti-Semitic, and nationalistic sentiments.

Of course, this trend is no more unified than the others. There are significant differences of emphasis between populist and religious conservatives, but they share a conservative tone. Here we can mention the right wings of the MDF and Smallholders' Party, as well as the Hungarian Independence Party (MFP). It is conceivable that a certain segment of the Christian Democratic People's Party ascribes to similar values. The trend's social basis is likely to come from the nonurban population.

Aside from the extreme left wing, there is no difference among the trends when it comes to foreign policy issues. They generally agree that Soviet troops should be withdrawn from Hungary, and consider neutrality to be the most suitable course for Hungary. However, they consider this issue a matter of long-range strategic consideration which will be influenced by global developments.

The greatest open question is the social support enjoyed by the various trends. Data gained from recent surveys tend to be contradictory, and only give rise to speculation. Certainty on this issue will be brought only by free elections.

Text of National Roundtable Agreement

25000481a Budapest NEPSZABADSAG in Hungarian 19 Sep 89 p 5

["Agreement Concerning the Conclusion of the Phase of Negotiations That Began on 13 June 1989 and Ended on 18 September 1989]

[Text] The Hungarian Socialist Workers Party [MSZMP], the organizations belonging to the Opposition Roundtable, and representatives of organizations

and movements constituting the Third Party of negotiators declare that the approximately 3-month phase of negotiations that began on 13 June has come to a conclusion and has achieved results.

Parties to the negotiations declare that, consistent with principles stated in the basic agreement, the negotiations have served the purposes of establishing political and legal conditions for a peaceful transition, formulating a democratic constitutional state based on a multiparty system, and finding a way out of the social and economic crisis.

- 1. The parties to the negotiations declare that as a result of negotiations a political understanding among the participants has been reached concerning the pivotal issues of peaceful transition. This understanding is embodied in the following six legislative proposals:
- -Legislative proposal to change the Constitution;
- Legislative proposal concerning the Constitutional Court;
- Legislative proposal concerning the functioning and financial management of parties;
- Legislative proposal concerning the election of National Assembly representatives;
- —Legislative proposal concerning changes in the Criminal Code of Law; and
- —Legislative proposal concerning changes in the Code of Criminal Procedure.

The negotiating parties are forwarding the documents attached to the agreement to the chairman of the Council of Ministers, as documents consistent with their political goals.

The negotiators ask the chairman of the Council of Ministers to see to it that the government submits the legislative proposals to the National Assembly, consistent with the provisions of Law No 9 of 1987 concerning legislation. Alternative solutions presented in the legislative proposals shall be accompanied by an authentic report representing the views of the MSZMP and of the Third Party Negotiators. The negotiators recognize that among the dissimilar views contained in the legislative proposal, the views proposed by the Opposition Roundtable assume the form of declaratory statements.

The parties to the negotiations affirm their determination to have their respective organizations accept the agreements, represent the agreements in public, and utilize all available political means to encourage the enforcement of the agreements.

2. Delegations of the three negotiating parties reach separate political agreements regarding certain additional issues, which by virtue of their character do not require separate action in the framework of laws. The listing contains in part obligations assumed by the negotiating parties, and in part recommendations for state

and judicial organizations affected. The negotiating parties recognize and recommend that:

- —Peaceful transition begin with the commencement of negotiations and last until the organizing session of a National Assembly that comes about as a result of free elections, and that political agreements apply to this period of time;
- —Participants of the trilateral negotiations enjoy political and personal immunity insofar as their activities in negotiations are concerned. They shall be held accountable only by their respective delegating organs for statements made in the course of negotiations. (The parties to the negotiations request the Minister of the Interior, the Minister of Justice, the Chairman of the Supreme Court, and the Supreme State Prosecutor to ensure the immunity of persons involved);
- —Discrimination of any kind at the work place, or discrimination of a political character, violates the spirit of the basic agreement, as well as the negotiating parties' perception concerning the prevalence of a constitutional state and the enforcement of citizen rights:
- —The suspension of coercive police action during the period of transition constitutes an important factor in encouraging confidence. (The negotiating parties request the Minister of the Interior to take appropriate action):
- Consistent with the position established by the Good Will Committee, it has become necessary to relieve the pressure placed on the National Assembly and its members. In the interest of accomplishing this, representatives should be spared unwarranted recalls and calls for resignation to the greatest possible extent;
- Fundamentally, a multiparty political system cannot represent greater financial burden to society than a single-party structure;
- —Governmental action to establish necessary and fair functional conditions for new parties and social organizations, and for parties and social organizations renewing their activities, should be accelerated. (The negotiating parties request the chairman of the Office of the Council of Ministers to take appropriate action);
- —Having provided evidence of self-restraint in the field of financial management, the MSZMP is transferring 2 billion forints worth of real estate from the property it manages to governmental bodies for societal use, including the provision of functional conditions for parties; and further, the MSZMP has returned 50 million forints to the state budget from its current budgetary subsidies;
- —Approximately 100 million forints are needed from the state budget to finance the campaigns of candidates for election as representatives to the National

- Assembly. These funds shall be distributed on a standard basis among the candidates and among the parties and organizations sponsoring these candidates. (The negotiating parties ask the Minister of Finance to provide the amount of funds indicated);
- —The principle of nonpartisanship shall prevail in the workings of national institutions of information. To accomplish this, a nonpartisan committee composed of personalities proposed by the three negotiating sides shall be established;
- —In the interest of enhancing political stability it is desirable to elect a president of the republic this year.
- 3. The parties to the negotiations determine that, based on results achieved thus far, work on peaceful transition should continue, as well as on other open issues. Expert committees should endeavor to prepare agreements regarding the following subjects:
- —The order of electing a president of the republic;
- —The ethical code of elections;
- —Rules of openness for the elections;
- -The new law on information;
- -The law on information technology;
- —The law on public service;
- —Prohibition of discrimination at the workplace to be expressed as part of the Law on Labor;
- —Issues pertaining to the changing of the Workers Guard (Opposition Roundtable recommendations to phase out the Workers Guard);
- —The exclusion of the possibility of resolving political issues by force.

Delegations participating at the plenary session authorize the midlevel committee dealing with political transition to reach the necessary agreements regarding the subject matters enumerated above.

Representatives of the three negotiating parties declare that the principles and rules of peaceful transition jointly and as a whole constitute the political agreement reached.

Representatives of the three negotiating parties express their belief that by signing this document they are taking an important step toward the establishment of a democratic Hungary based on parliamentarism, and toward an improvement in the nation's destiny.

Budapest, 18 Sep 1989

On behalf of the Hungarian Socialist Workers Party: Rezso Nyers, Imre Pozsgay

On behalf of the Opposition Roundtable:
Dr Karoly Vigh and Dr Zsolt Zetenyi for the Endre

Bajcsy-Zsilinszky Circle of Friends

Dr Imre Boross and Istvan Prepeliczay for the Independent Smallholders, Agricultural Workers, and Bourgeois Party

Dr Tibor Fuzessy and Dr Janos Teleki for the Chris-

tian Democratic People's Party

Dr Jozsef Antall and Dr Gyorgy Szabad for the Hungarian Democratic Forum

Csaba Varga and Laszlo Konya for the Hungarian

People's Party

Tibor Baranyai and Istvan Gasko for the Hungarian Social Democratic Party (with separate closing remarks)

On behalf of social organizations and movements constituting the Third Party in the negotiations:

Dr Csaba Kemeny for the Left-Wing Alternative Association

Dr Nandor Bugar for the Patriotic People's Front Imre Nagy for the Alliance of Hungarian Democratic

Dr Sandor Sarkozi for the Hungarian Resistance Workers and Anti-Fascists' Association

Mrs Dr Asbot, Judit Thorma for the Hungarian Women's Association

Ferenc Berenyi for the Ferenc Munnich Society

Szuros Calls Renouncing Dual-Citizenship Treaty With Romania Unavoidable

25000443a Budapest NEPSZABADSAG in Hungarian 4 Sep 89 p 6

[Article by NEPSZABADSAG county correspondent: "Should We Renounce the Treaty on Dual Citizenship?"]

[Text] The first national conference of Transylvania Circles was held in Szeged last Saturday and Sunday. National Assembly President Matyas Szuros attended the first day of the meeting. In the introduction to his presentation he established the fact that we have been witnessing discrimination against the Hungarian minority in Romania since the 1950's, threatening that minority's legal and cultural existence, indeed its existence as a nationality. In recent years, unbridled anti-Hungarian sentiments have been openly elevated to the level of official policy; moreover, in the framework of bilateral relations the Romanian side has raised the covert specter of military threat. Responsible Hungarian government officials must react to all this in a sober, but determined manner. An improvement in the relationship between Hungary and Romania is in our fundamental interest, despite chauvinistic Romanian policies. Economic cooperation and the maintenance of direct relationships among people may enhance the normalization of political relations.

We cannot surrender bilateral negotiations in the future, Szuros continued, but we cannot nourish illusions either. Factual openness can be the only effective constraining force. Helping Hungarians in Romania to survive is a cause not only for the government, but also for the entire population of Hungary. The level of solidarity in Hungary

appears to be declining. The refugee issue is emerging as a new element. Hungarian authorities nowadays handle this matter in a humane manner and with exemplary speed, nevertheless a number of additional measures are needed. The government's Nationalities College will be established soon, but there is also a need for an advisory body to include refugees. The foreign affairs committee of the National Assembly is establishing a nationalities subcommittee. It will deal exclusively with the situation of the Hungarian minority beyond our borders. Renouncing the bilateral treaty on dual citizenship with Romania appears unavoidable. The process of citizenship applications must be simplified.

We cannot count on practical support from our allies, the National Assembly president said. The Soviet Union is burdened with its own nationalities concerns, Czechoslovakia and the GDR do not favor our reform experiments, and Bulgaria is violating human rights by assimilating the Turkish minority. From a practical standpoint, Poland is indifferent on this issue, even since a representative of the Solidarity movement was given the mandate to form a government. Western European countries, the government of the United States, and the European Parliament have stood up for the consistent enforcement of human rights. The Hungarian government must recruit supporters for the cause of Transylvanian Hungarians by presenting the real situation, and with purposeful propaganda. The Transylvania Circles play a great role in creating a feeling of solidarity among Hungarians in Hungary, and in representing the interests of those who have resettled in Hungary.

On Sunday morning, members of Transylvania Circles from throughout the country introduced their respective organizations and activities. Several persons made the point that thus far resettlers from Romania have had no real interest representation. A debate evolved on the issue of whether Hungarians from Romania who settle in the motherland should be regarded as refugees. One view held that Hungarians in Hungary must not be regarded as refugees. Another argument held that these settlers are de facto refugees because they have no social ties, they are struggling with adaptation difficulties, and they have employment and residential concerns. The debate also touched upon the question of whether the settlement of these persons in groups should be regarded as a community of solidarity of persons who have suffered the same fate, or if it constitutes ghetto existence.

At the conclusion of the conference representatives of 16 Transylvanian communities established the National Consultative Body of Transylvania Circles.

FIDESZ Leader Viktor Orban Interviewed

25000471 Budapest HETI VILAGGAZDASAG in Hungarian 26 Aug 89 p 56

[Interview with Viktor Orban, Association of Young Democrats board member, by Endre Babus; date and place not given]

[Text] Viktor Orban is believed to be the "enfant terrible" of Hungarian political life. We heard of him first, along with three dozen of his associates, in March 1988. Despite harassment by the prosecutor's office, he and his friends held out with the idea of forming the Association of Young Democrats [FIDESZ], a radical organization which openly questions the legitimacy of the Communist establishment.

The 26-year-old FIDESZ leader was born in Szekesfehervar. "I grew up in a family that followed the pattern of upward mobility. At one time my father was a driver, but he then acquired a diploma as a plant engineer. I was surrounded by a consolidated, conforming environment." Orban said. The student majoring in English at the Szekesfehervar Teleki Gymnasium graduated in 1981. On the basis of a preliminary admissions exam he was instantly accepted to study law and political science at the Lorand Eotvos University of Sciences [ELTE]. Following the completion of military duty at Zalaegerszeg he began his graduate studies. Soon thereafter, in 1983, he became a founding member of the institution presently known as the Istvan Bibo specialized college. "As they say, this was the period when the dictatorship became sloppy. We established internal rules within the college, so that no one from the outside could interfere. We created a free microenvironment; we pretended to live in a constitutional state," he recalls. Beginning in 1984 he was one of the editors of the collegiate social theory periodical SZAZADVEG. After receiving his law school diploma he worked for a few months at the Ministry of Agriculture and Food Industry Leadership School. Since April 1988 he has been a member of the Central European Research group, supported by the Soros Foundation. Six months after the establishment of FIDESZ, Orban was called for 3 months of reserve military duty. In October 1988 he was elected to the Association's board. As a representive of FIDESZ he presently participates in the negotiations of the Opposition Roundtable and in the political mediation talks.

Viktor Orban lives in Szolnok with his wife and their child. He is a member in good standing of the University Athletic Club of Budapest [BEAC], but for the past year and a half he has taken a leave of absence from the Club, due to other preoccupations.

[HVG] According to the latest public opinion polls, you became one of the most popular Hungarian politicians in July. You are among the top 20; between Istvan Csurka and Sandor Racz you took the 18th place. To what do you attribute your popularity?

[Orban] I clearly attribute the fact that I have become part of the top politicians list to my 16 June speech. A sizeable part of the people felt finally that someone had publicly expressed matters that had been discussion topics only in taverns and in tightly knit social gatherings.

[HVG] On the other hand, there were many who qualified your statement as rowdyism: "We will not be

satisfied with the promises of Communist politicians which obligate them to nothing." Do you still feel that this tough speech had to be said at the bier of a murdered Communist prime minister?

[Orban] The speech was not tough in my view. Each and every sentence of it was supported by arguments. The facts about which I spoke are tough. I agree with Tibor Zimanyi who announced at Hosok Square that the final hours of remembrance are not the time to beat around the bush.

[HVG] Part of public opinion felt nervous about the FIDESZ demonstration demanding the removal of Soviet troops. Many feel that this may enrage the "sleeping lion." Aren't you concerned about this?

[Orban] Those who present this argument also say that in the most important issue, that of national selfdetermination, our name is "shut up." We must recognize that independence cannot be smuggled in, spirited secretly into an occupied country.

[HVG] Many who were children of cadres took part in the Hungarian student movements of the 1970's. Where do you recruit FIDESZ members?

[Orban] FIDESZ is not a repository of cadre children. A majority of the 13-member leadership came from the ranks of the intelligentsia, and some are from working class families. A majority of the 3,500 members are university students or people who have completed university studies, and between 10 and 15 percent are workers. In recent months we have conquered an increasing number of positions in the Hungarian People's Army.

[HVG] Undoubtedly, thus far you have pursued the role of a political bulldozer. Is FIDESZ linked to some kind of an ideology?

[Orban] Our action projects never ran out of steam by merely negating something. We offered an alternative to every institution we attacked. The human rights philosophy is the foundation of our outlook. We profess that society must be accommodated in such a manner that the freedom of the individual may prevail to the fullest possible extent.

[HVG] In the future, should FIDESZ organize itself as a party?

[Orban] Under no circumstances, in my view. Youth has had enough of hierarchical organizations. If only parties could run in the elections—a matter I would consider improper—we may perhaps be forced to establish a party for the elections, which we will urgently disband after the elections.

[HVG] Do you have a politician as a model?

[Orban] The past 40 years have not favored the emergence of politicians a young person like myself, who is struggling for a Western European type democracy,

could regard as his model. At the same time I deeply respect the members of opposition movements, beginning with the participants of the 1953 Berlin workers resurrection, through the street fighters of 1956, all the way to the Eastern European democratic opposition of the 1980's.

[HVG] Do you have friends whose political views differ from yours?

[Orban] Closest to me are Laszlo Kover and Gabor Fodor. Together with me they profess a certain kind of social liberalism. At the same time, at SZAZADVEG we have some reform communist editors like Istvan Stumpf and Attila Weber. I continue to consider them my friends, but at the same time they are also my political opposition.

[HVG] Is your bald head with which you appeared in Parliament a few weeks ago part of the political daredevil image?

[Orban] I do not consider myself a political daredevil. I believe that I am a typical representative of a new generation. This generation is characterized by the fact that it is not willing to discuss matters in terms of foggy notions. Otherwise, I have my hair cut 3 millimeters short every summer, and then I do not have my hair cut for a year.

[HVG] How do you make a living?

[Orban] I receive a 10,000-forint-per-month scholarship from the Soros Foundation, and added to that I receive between 5,000 and 10,000 forints of honorariums per month as an editor, from the SZAZADVEG Limited Liability Corporation [Kft].

[HVG] In your view, would it be possible to exchange the present leadership in 24 hours? Is there an adequately prepared force among members of the intelligentsia?

[Orban] Yes, there is. But a single day would not be enough to accomplish the change, even if the present leaders do no more than grab their desks.

[HVG] What or whom do you consider to be most dangerous to the present democratization process?

[Orban] The Hungarian Socialist Workers Party [MSZMP] because it does not tolerate among its members both reform communists and those wearing the quilted jackets of the 1950's.

Zoltan Kiraly Interviewed on Career, Views, Issues

25000460 Budapest KEPES 7 in Hungarian 2 Sep 89 pp 8-9

[Interview with Zoltan Kiraly, independent National Assembly deputy from Szeged, by several KEPES 7 journalists: "I Am Not Beholden to Any Specific Party's Interests"; first interview of a new regular feature introduced by the weekly KEPES 7 under the rubric "Press

Box"; date and place of interview not given; first paragraph is KEPES 7 introduction]

[Text] We are reviving in our paper an old format which, regrettably, is seldom used in the Hungarian press. In our "Press Box" column we will be interviewing each week some interesting public figure, artist, or expert. In the same interview, however, the "protagonist" will have to field the questions of several journalists. Since the journalists on our staff differ in their opinions, world outlook, preferences, and temperament, this questionand-answer interplay will also constitute a kind of intellectual pluralism. Our first guest is Zoltan Kiraly, a member of Parliament.

[KEPES 7] The rumor has spread that you would willingly accept the post of President of the Republic. Is that true?

[Kiraly] The point is not that I would gladly accept the post, but that public opinion polls indicate voter support for my nomination. The Szeged organization of the Social Democrats recently proposed that I run as an independent in the election for President. And the Opposition Democratic Forum in Kobanya sent me a letter pledging to support my nomination.

[KEPES 7] Do you agree at all with our having a president of the republic?

[Kiraly] Most certainly. Indeed, I do not understand why those who up to now have been demanding the separation of powers, under which the presidency has a significant supporting role, are now backpedalling. Obviously for tactical reasons, because it is quite another thing to have the new Parliament elect the president, a Parliament in which the opposition will evidently be in a majority. But I deem it important that the president really receive his mandate in a referendum. That would already give him moral capital, and he would be able to rise above the parties.

[KEPES 7] Who constitutes the opposition in Hungary today? On what basis do we say that someone belongs to the opposition?

[Kiraly] It could be said that 90 percent of the citizens belong to the opposition since they oppose respectively what the MSZMP [Hungarian Socialist Workers Party] stands for and what has happened during the past 40 years.

[KEPES 7] These two things are not identical.

[Kiraly] No, they are not. But being in opposition manifests itself mainly in how various members of the opposition want to replace the power of the MSZMP with their own power. Over and above that, however, I do not see any real difference between the opposition's program and the MSZMP reform wing's program that bears Pozsgay's hallmark.

[KEPES 7] You said that the present opposition's victory is obvious. At the same time, the middle cadres in

responsible posts—in the ministries and elsewhere—are MSZMP members as a rule. Are you not concerned that a peculiar dual power will thereby evolve, and the country will become ungovernable?

[Kiraly] I am not especially concerned. Although, as I have said on other occasions, real renewal would require personnel changes on the order of 10,000.

[KEPES 7] When you are not speaking for yourself, on whose behalf are you speaking?

[Kiraly] I always try to speak for myself. Even when I was launching a drive or forming a faction, I always expressed my own opinion, supplemented by the proposals of the deputies or experts who joined the drive. My speeches in Parliament are always based on the work of many experts. In my case, then, this works the way it does in any normal bourgeois democracy. This is another reason why I do not want to be tied to any specific party, especially not in the current situation, when narrow party interests are really asserting themselves.

[KEPES 7] Is this not merely a tactic?

[Kiraly] No. I simply consider it more important to let the present Parliament, which justifiably is the target of widespread criticism, enact the many important laws that are indispensable to holding a Constituent National Assembly. I am not beholden to any specific party's interests and do not wish to participate in the various tactics. This way I will perhaps be able to rise above these things.

[KEPES 7] At one time the rumor was circulating that Zoltan Kiraly is Imre Pozsgay's puppet. What do you say to that?

[Kiraly] Only on one occasion did I ever seek out Imre Pozsgay before one of my speeches in Parliament. And that was before the debate on the Grosz government's program. But then I considered it very important to seek his opinion, some of which I used in my speech. Earlier I merely requested Pozsgay's help in getting the PPF [Popular People's Front] to accept under its wing the club of [independent] deputies. His support was essential to that end because, among the national secretaries, the Ribanszky types were doing their best to squeal to the Central Committee on me and to brand this initiative as some assembly of dissidents. It is quite another matter, of course, that I have great respect for Pozsgay. To me his personality, humor, and simply the very fact of his existence are a great comfort.

[KEPES 7] In connection with you, the name of Mihaly Bihari also comes up in this context.

[Kiraly] Mihaly Bihari is my friend and best expert.

[KEPES 7] Now that the party candidates are preparing to run in a free election, do you feel that there is a need for independent politicians like you? [Kiraly] I think that the figure of the parliamentary daredevil, which I personify, has been controversial only in the past. The new Parliament will probably be a more noisy one, and there my behavior will be judged differently.

[KEPES 7] It is rumored in the city that a parliamentary coup is being planned. A group of deputies would like to force Parliament's dissolution.

[Kiraly] I know nothing about that. But I would be opposed to Parliament's dissolution because that would be an unwise step, in my opinion. Only those deputies who have no clear overview of Hungary's reality and are offended because others are negotiating at the national roundtable, preempting their own decisions, would want this. But I, too, am of the opinion that if the political negotiations fail to reach a healthy compromise, if the mutual bickering continues, then we should bring the dates of the elections forward. After all, the MSZMP is already on the mat and is incapable of governing.

[KEPES 7] And what about the government?

[Kiraly] No matter how much abuse the opposition is heaping on the government, and notwithstanding the presence of MSZMP leaders in it, the government headed by Miklos Nemeth is an independent one, an independent political factor. But in this situation where there is uncertainty between the governing party and Parliament, the government is unable to function meaningfully with a weak Parliament behind it. And this already threatens political stability.

[KEPES 7] Which side of the national roundtable do you support?

[Kiraly] That is a good question, because I really do not know who stands for what at the national roundtable, and to whom I could thus relate.

[KEPES 7] Six months ago you were still facing a serious dilemma when you were unable to choose between your profession and being a deputy. Listening to this interview, I get the impression that you have decided to be a politician in the future. Was that really a conscious decision on your part, or have you just been roped into it?

[Kiraly] I really am unable to actively pursue my profession at present, and it seems that politics will be the determining factor in my life for a time, especially if I am reelected.

[KEPES 7] Nevertheless, there is a slight difference in terms of prestige between a professional politician and a TV newscaster.

[Kiraly] When I go into a store, the question does occasionally cross my mind whether I am now shopping as a deputy or as a presidential candidate. But otherwise I do not percieve any difference. I would be doing the same thing as a TV newscaster. But it is likewise true that from time to time the people expect a redeemer and force

this role on someone. I, too, often get letters in which this comes across. The writers are seeking a new Kossuth, a new Szechenyi, a new Saint Stephen.

[KEPES 7] What is your family life like?

[Kiraly] I was divorced in 1983. For 6 years my private life was completely chaotic, one might say.

[KEPES 7] Why were you divorced?

[Kiraly] Our marriage just did not work out. But I have two nice daughters, and, thank God, the divorce does not appear to have had any particularly adverse effect on them.

[KEPES 7] What did your friends and acquaintances say to your second marriage?

[Kiraly] When I appeared in the House in March wearing a new suit, my colleagues jokingly said it was evident that there was now a woman in the household. Admittedly, I did not have much of a private life prior to my second marriage. But perhaps for that very reason I was able to tackle my duties as a deputy with so much vigor. Now the situation is different. My wife reckons with this lifestyle, and she, too, has plans of her own. I think we complement each other very well.

[KEPES 7] Let us talk about money. In your opinion, how much should the salary of a full-time deputy be, so that he can preserve his "virginity"? How much are you living on now?

[Kiraly] Forty percent is deducted from my salary as maintenance for my two daughters. Then there are also deductions for trade union dues and income tax withholding.

[KEPES 7] At least you have now been spared deduction for party membership dues.

[Kiraly] That is true. In the end the amount I actually receive is about 5,000 forints. But for the deputy's honorarium, I would be vegetating at the subsistence level. The salary and deputy's honorarium jointly are just enough to live on. Meanwhile, I am getting invitations to speak from very many parts of the country. I have been offered a speaker's fee in every case without exception. But I have never accepted a fee. People have found that hard to understand, but for me this is a matter of principle. This way I am free to attack anyone whenever I find any corruption, because I myself feel clean. I think it would be important to introduce what I found in England. British MP's are not paid extremely high salaries, only about, say, twice the average pay. But then their telephone bills and travel expenses are reimbursed, and they also get an allowance to cover the salaries of their office staff.

[KEPES 7] Speaking of Britain, could you imagine making the sessions of Parliament entirely open to the public in Hungary too?

[Kiraly] I regard open sessions as not only possible but also necessary. And not only the sessions of the House, but also the committee sessions should be open to the public, because that is where the real debates take place.

[KEPES 7] How do you explain the fact that the most active reform aspirations are centered in the provinces, not in Budapest?

[Kiraly] The MSZMP's monopoly of power has been much stronger in the provinces.

[KEPES 7] Have the cracks there been more perceptible?

[Kiraly] Yes. Everyone in the provinces, and especially the intellectuals, felt more oppressed. That is why I suspect that in the provinces the counterreaction, even within the MSZMP, is substantially greater. At the same time, an overwhelming majority of the opposition has been organized in Budapest, and only now is the opposition spreading to the provinces.

[KEPES 7] Is that why the voter turnout at the election this summer was so low?

[Kiraly] Partially for that reason, and also because the people are not familiar with the opposition's programs. FIDESZ [Association of Young Democrats] might say that it was protesting the occupation of Czechoslovakia, and that it would send people there, but that does not tell the people living in Balastya much about what FIDESZ actually is.

[KEPES 7] In your opinion, when can the reform wing be expected to split off from the MSZMP?

[Kiraly] There are two possibilities: either before the party congress or at the congress, the latter being the more likely. If the reform wing does not split off, then it is obviously clear that the party will lose the elections, in which the voters will be voting with against the past 40 years. Then all those who identify with the MSZMP will be swept from the political scene. In other words, the reform force will not be able to appear in the guise of the MSZMP. If the reform wing is serious about distancing itself from the dictatorial system—and it is serious, in my opinion—then it must also dissociate itself organizationally.

[KEPES 7] Do you discount the possibility that, at the party congress, the reform wing might take over control of the party?

[Kiraly] I do. My opinion is that the reform wing is more likely to split off, because certain trends within the MSZMP and the newly organized communist parties will form a unity anyhow. They will be the MSZMP; perhaps the name might change, but this old MSZMP will actually remain in the future. The reform wing must dissociate itself from this MSZMP, if it takes its own platform and democratic socialism seriously.

[KEPES 7] And can you foresee the party's dissolution?

[Kiraly] No, because there are fairly strong groups within the party that would like to salvage its power. Moreover, the party's dissolution would result in even greater political confusion than we have at present. Until the elections, therefore, the party must continue to function somehow.

[KEPES 7] Simultaneously with the publication of this issue, you will be holding a press conference to demand the withdrawal of foreign troops stationed anywhere in Europe. Do you consider this a timely issue?

[Kiraly] I consider the 50th anniversary of the outbreak of World War II a suitable occasion to make people understand that the root causes of the division of Europe, the stationing of foreign troops, and the formation of NATO and the Warsaw Pact, must be sought in the peace treaties that ended the war. We have not debated these causes to this day. Therefore I am proposing that the representatives of the former Allied Powers and Helsinki Agreement's signatory countries meet in Budapest or East Berlin and draw up an international convention calling for the withdrawal of all foreign troops by 1995, and for the parties to the convention to announce their withdrawal from NATO and the Warsaw Pact as military alliances. In my opinion, this is a prerequiste for building a common European house.

Opposition Party Official Sandor Keresztes Interviewed

25000472 Budapest HETI VILAGGAZDASAG in Hungarian 16 Sep 89 p 55

[Interview with Sandor Keresztes, chairman of the Christian Democratic People's Party national organizing committee, by Andras Lindner and Zoltan Horvath; date and place not given]

[Text] Sandor Keresztes was born as the sixth and last child of a Transylvanian teacher at Magyarokereke in Kalotaszeg about 70 years ago. He professes to be a deeply religious, faithful Catholic. He completed his high school studies at the Piarist Gymnasium in Kolozsvar [Cluj], attended law school, and received his doctoral degree in political science in the same city in 1944. In that same year he moved to Budafok to his wife's parents' home, and during the Lakatos government [between 29 Aug and 15 Oct 1944] he found employment at the economic division of the Ministry of the Interior. After the Arrow Cross movement took power [15 Oct 1944] the Hungarian Nazi National Chair of Inquest arrested him as a member of the Catholic resistance movement. He was taken to the Margit Boulevard prison, and as he says, he thanks the intervention of Justice Ministry Counselor Jeno Cseh, who served as a military judge advocate at the time, for his life.

Beginning in 1945 he served as a law clerk at the Ministry of the Interior. "The Interior in those days was not a police institution, although under the direction of Interior Minister Laszlo Rajk the Communists tried to

place their people in public administrative positions. I opposed that. For this reason Rajk initiated disciplinary action against me." In 1945 Keresztes joined the Democratic People's Party. A year later he became a member of the executive committee. In 1946 he was elected National Assembly representative and performed the secretarial duties of the group of representatives [as published]. In the summer of 1948 he was branded a "clerical-fascist" and was deprived of his mandate. His party ceased to exist in 1949. Keresztes was not given his job back. Under his wife's name he took out a trade permit to knit stockings. First he worked as a "subcontractor" for his wife, later he found work at the Catholic journal UJ EMBER. At first he collected subscription fees for the paper; later he took care of the heating equipment at the editorial office. In 1953, during the Imre Nagy government, Archbishop Gyula Czapik of Eger authorized him to establish the Solidarity Home Industry Cooperative, a place where former monks were employed. In 1957 he was interned for a period of several months.

In 1963 he became the legal expert of the Saint Stephen Society. In 1988 he became founder and chairman of the Aron Marton Society, and subsequently he assumed a new pioneering role by establishing the Christian Democratic People's Party. "The definitive event in my life was to have been able to be the liaison between Bishop Aron Marton and Gyula Illyes. I carried Illyes' books to Transylvania, and returned with Marton's messages," he recalls. Keresztes, who has lived in Budafok for 45 years, has eight children.

[HVG] Your party intends to continue the traditions of the Democratic People's Party, which was dissolved 40 years ago. Why was it necessary to put the "Christian" adjective before the name of the resurrected party?

[Keresztes] We felt that without that there would be too little distinction between our party and the name of the Hungarian People's Party which started out before we did. We were concerned that people might confuse the two parties.

[HVG] Why, aren't you concerned that your party will be confused with the Hungarian Christian Democratic Party which emerged recently?

[Keresztes] Look, they are a nonexistent party; the whole thing is a big bluff. What they do is no more than jabber.

[HVG] Accordingly, what is the relationship between the two of you?

[Keresztes] What do you think? I do not know anyone from that party.

[HVG] Aside from this, to what do you attribute the fact that the political stock of "Christianity" has increased so much?

[Keresztes] One can sense not only an economic, but also a moral and ethical crisis in society. The system should be blamed for the fact that as a result of its strongly antichurch and antireligious policies a majority of the people have become hypocritical. For decades, almost everyone in Hungary was forced to pretend. The fact that the masses are turning toward the Church, and that Christian principles are becoming a natural need, is a natural reaction to that.

[HVG] The present, newly organizing parties produce "great old men" whom the new generation does not know, or barely knows. On what basis would they know you, for example, if they liked the name of the party?

[Keresztes] I do not think that I am unknown. I have lived my life in a "Catholic ghetto," and I am well known in religious circles. I have labored hard on changing church policies; and in 1962 I wrote that the agreement between the state and the church has no legal validity. Besides, I feel that I have done something for the Hungarians in Transylvania. In the course of doing so I got in touch with Imre Miklos, just as I did with Matyas Szuros and Imre Pozsgay. I also played a role in the Pope's January statement, which also spoke to the issue of Hungarian minorities living abroad.

[HVG] Except that all of this took place behind the scenes, while with a resurrected party you will be forced to step out before the greater public. Have you prepared yourself for such a role?

[Keresztes] Someone has to do it. Essentially, the party must be reestablished out of nothing, in this sense this may be perceived as a mission.

[HVG] During our conversation you have underscored several times that you are not organizing a nostalgic party, and that despite its name, your party is not the party of Christians, and that it is not a religious party or a party belonging to a certain church. Under such circumstances whom do you have in mind, whom do you expect to join your ranks?

[Keresztes] In 1947 we were a party running in the election. At this time we also act as the constructive opposition. We would like to have organizing committees everywhere in the country. Fundamentally, the whole thing is a matter of confidence. I could also say that the number of people that may join us is the number of people who go to church in this country. And that number is not small. But our program may also be accepted by nonbelievers.

[HVG] Do you receive support from the Catholic Church?

[Keresztes] In no respect. But they observe us favorably, of course.

[HVG] If the Catholic Church does not provide help, are you hoping to receive assistance from the Western Christian democratic parties?

[Keresztes] We are already in touch with a number of large parties, including the Italian Christian Democratic Party, the West German CSU [Christian Social Union],

the Dutch Christian Democratic Party, and the World Internationale of Christian Democratic Parties. The European section of the latter held its latest conference for our sake in Vienna.

[HVG] With which one of the domestic opposition parties do you sympathize?

[Keresztes] With the Hungarian Democratic Forum [MDF]. But I feel that the MDF is a heterogeneous creature, and believe that it could be to their disadvantage not to have an international relations system. I am confident, however, that for many who think similarly we, and not the MDF, will be the real attractive force.

[HVG] In your view, what kind of power position should be returned to the Church?

[Keresztes] The Church need not have a power position. There is no need for bishops to sit in Parliament, the way they did a long time ago. But the Church has a just claim to the establishment of schools and social institutions, and to the establishment of religious orders.

[HVG] Do you agree with the MSZMP? Can a faithful Catholic be a member of the Communist Party?

[Keresztes] If the faithful understands his faith, and is familiar with the teachings of Marxism, which are opposites of the Christian truth, it would be difficult to perceive a correlation between the two. The entire issue is a matter of personal conscience.

[HVG] You are beyond your 70th year. Will you continue to accept the responsibility if the meeting of delegates elects you?

[Keresztes] If they have confidence in me, if they vote for me, and if my strength permits, perhaps it would not be appropriate for me to retire from the party.

Demands To Rid County Newspapers of MSZMP Control

Journalist Association Votes To Remove Party 25000476c Budapest HETI VILAGGAZDASAG in Hungarian 23 Sep 89 pp 8-9

[Text] The future of county daily newspapers under control of the Hungarian Socialist Workers Party [MSZMP] unexpectedly became an issue at last week's general meeting of the Hungarian Journalists Association. The Association's presidium raised, and a decisive majority of the delegates approved, a statement issued by about 60 journalist delegates from 14 counties, demanding that "county newspapers be independent business and intellectual workshops. Neither the MSZMP Central Committee [CC] nor its county committees should have the authority to decide the fate of these newspapers without asking the collectives of the newspapers. No party should be able to expropriate these county, regional, and city media, and they should be

treated as part of the national news organization." Subjecting the Hungarian press to the Hungarian Workers Party [MDP]—the legal predecessor of the MSZMP was fulfilled in 1950. In 1957 the Newspaper Publishing Enterprise owned by the MSZMP took over direction of the 18 party enterprises and 20 county newspapers, which in the meantime were reorganized as publishers. Since July 1989 these organizations have been supervised by the MSZMP CC party business division, jointly with the county party committees. Although from a formal standpoint these publishing enterprises are independent, in reality they are MSZMP property. Fifty percent of their taxed profits are transferred to the party coffers. Last year, for example, the transferred funds amounted to more than 100 million forints. Most publishing enterprises are profitable; last year they collected 600 million forints in advertising revenues. About 800 journalists work for county newspapers.

Szolnok County Opposition Urges Independence

25000476c Budapest NEPSZABADSAG in Hungarian 26 Sep 89 p 5

[Excerpt] More heated controversy has ensued in Jasz-Nagykun-Szolnok County concerning the county newspaper. The county interest mediation committee, which has already survived three rounds of talks, raised the issue of openness for the second time last week.

No agreement was reached in the previous meeting, held 15 September, concerning the fate of SZOLNOK MEGYEI NEPLAP, the county's sole daily newspaper owned by the MSZMP, because the issue of openness was considered only in the context of MSZMP ownership. At that time the county opposition roundtable demanded that the newspaper's dependence on the MSZMP be discontinued. MSZMP representatives requested that consideration of this issue be postponed because the party committee has the authority to decide on this issue.

At its 21 September session, the Szolnok County Party Committee decided that its authority over the editor in chief of SZOLNOK MEGYEI NEPLAP, in its capacity as an employer, should be transferred to the director of Jaszkun Newspaper and Book Publishing Enterprise, which functions as an MSZMP enterprise. The party committee further recommended that future appointments of editors in chief be made on the basis of competition, and in judging the results of such competition the editorial office should be granted the right to consent. Since the decision, the SZOLNOK MEGYEI NEPLAP has been published with the banner head "political daily," and has designated the Jaszkun Newspaper and Book Publishing Enterprise as its publisher.

This decision did not enjoy undivided support at the 22 September meeting of the interest mediation forum, even though the MSZMP county committee declared that under multiparty conditions the party's monopoly over information cannot be sustained, and further, that the relationship between the editorial offices and the

county party committee must be placed on new foundations. Of the 10 participants of the county interest mediation forum, nine did not accept the idea that the paper should become independent as a result of these changes. Therefore the forum voted 9 to 1 to additional steps to make the paper independent. [passage omitted]

Ex-Party Member Castigates MSZMP

90EC0013a Budapest MAGYAR NEMZET in Hungarian 26 Sep 89 p 6

[Letter to the Editor by Erzsebet Gergely, 35, history teacher and mother of three, living in Salgotarjan: "I've Had Enough of the Threats"]

[Text] I was shocked to read the position statement of the Budapest secretariat of the Ferenc Munich Society, published in the 2 September, 1989 issue of MAGYAR NEMZET. I am not ashamed to admit that I was overcome by fear. I am scared. Perhaps I should be ashamed of the way I feel, but I am afraid. My body and soul are craving for peace, for some certainty and security.

I am frightened by the prospect of decisions being made—by somebody, anybody—in my name, without my being asked about what is right for me, and by the possibility of someone determining what will be good for my children without taking into account my intentions and obligations. I am a 35-year-old mother of three, a teacher of history and Hungarian grammar and literature, in other words, one of—what for the past 40 years have been described as—the highly "appreciated" segments of the intelligentsia.

I am truly convinced that the reason why the members of the so-called alternative organizations have joined forces is because they want to provide a more humane future for our children; their aim is to promote the advancement of our nation, and, even though they have been unable to achieve this for themselves, to enable our children to breathe freely.

I harbor ill will or hate toward no one; I do not want to hold anyone accountable for anything. However, I will, with all of my remaining strength, stand up to anyone who dares to speak about people's rule without knowing how the people really feel. I do not want anyone threatening me or offering to protect the people against themselves. I want no one telling me what and how I should think, or forcing me again to pick from slates of single candidates, because I have reached the end of my rope; I have had enough!

I would like to be treated as an adult, as a person capable of thinking for herself, one who can make her own decisions regarding her own fate. I believe that this is a basic human right which dates back to the French Revolution, and which has been reiterated on countless occasions in the course of our own history, except, interestingly, under the system which you gentlemen call socialist. I do not care what a system is called anymore.

I am not a historian. Whether or not a system is indeed what its name purports is of little consequence. It is not the name of the system that will provide human conditions for my family, but the people who make the decisions.

I am deeply hurt by the immorality and demeaning attitude of those who expect me, in this bankrupt country of ours, to blindly follow the same people who have pushed our nation to the brink of disaster.

You write: "The people's power is in danger." Which people's power? Or does your definition of people only include the leading strata? I do not understand. For the first time in 40 years, this nation finally has human rights. The demonstrators who gather on 15 March are no longer beaten up; finally we can feel like Hungarians again; our youth, unconcerned about the risks involved, have expressed solidarity with the democratic forces of the neighboring countries, as did the communists during the Spanish civil war. As a nation we can finally stand up and declare: Once the threat of armed force is removed, we will reject your kind of representation. Finally, I hope, there will be no need to falsify votes. I can freely choose the organization I wish to join. Is this what you call antipeople? The country is on the verge of falling apart. The alternative organizations have taken it upon themselves to try to avert a disaster by searching for possible solutions day and night. Is this antipeople? And I could go on.

"The socialist system is in danger," you write. Why? Was that really the kind of system we have lived under? Have we all been equal? Or have some of us been more equal than others? How many party members have enjoyed regular hunting trips? How many of them have had a chance to relax at party resorts? How many have been issued new cars every 3 years? At the same time, how many nonparty members have had access to these things? Actually this is really beside the point. More importantly, how many party members' opinions have been listened to? Who has shaped the course of these 40 years? The 800,000 party members? No. The leading elite. And the fact that you are also afraid now is a tragedy for both of us. And I have not even asked why the MSZMP [Hungarian Socialist Workers Party] had to set up quotas regulating what percentage of its members could be comprised of peasants and intellectuals. Who, in your judgement, qualifies as a worker anyway? Or could I be wrong in firmly believing that we are all workers, except that some of us toil with our minds and some with the creative power of their hands? Is what I do as an intellectual not considered working? Am I not a worker? As a teacher I do not mind being my nation's hired hand. It makes me feel stronger as a human being to be able to serve. And I proudly accept being at the bottom of the ladder, because it enables me to live close to the people. Because I feel that the best way to find out how the people feel and think is not by sitting up there, in the ivory towers of party palaces. In order to really understand them one has to have lived among them and listened to what they have to say. For, as hard as it may be to believe, they do think and form opinions.

You are talking about defending the power of the workers and peasants. What has having power meant to our peasants? Having their lands taken away from them, and their attics cleaned out in the name of the people? How could the same land on which the peasant had "grown rich" become idle under cooperative control? Is it not a fact that the peasants' real share of power has been nothing more than blatant deception? Was it not owing to policies purporting to serve the people's interests that the peasantry has become bankrupt and our villages depopulated? And what has the final result of this great "people's power," i.e., the leadership of the MSZMP, been? Unemployment for a segment of its own class? Day-to-day existence for those who once had served because they had faith in the system? Why has the leading elite had to monopolize this system and use it to serve its own benefit? What has happened here during the past 40 years?

How is it that "the socialist system, the people's power" has become synonymous with privation and misery, despite the good intentions of so many people? For the blame lies not with the 800,000 party members. It lies doubly with those who, abusing their power, have consistently ignored the membership. And what can we expect; what will happen to us in the future if we fail to act now, if we stop trying to find new alternatives?

You also insist that the workers who shot at their fellow workers in 1956 acted correctly. Even if the victim was a 12-year-old child? I do not believe that you need to resort to such lies in your attempt to console people who were carrying out orders. Somewhere deep down in my soul I sincerely hope that these people would refuse to fire if they were asked to do so again. They would not carry out such an order from above blindly. Those who pulled the trigger had been badly deceived. Doubly guilty for their actions, too, were those who had issued the order to shoot at a fellow worker. The guilt lies with the system that had been able to blackmail people into committing such acts. People driven by fear were firing at people who were equally afraid, and could only hope that it would all be worth it, that it would result in a more humane society. My own view of 1956, and my interpretation of it as a history teacher, is that it was the year when the people rose up to demand a free and democratic country, a chance to be themselves and to determine the course of their own fate. Finally, after so many years, this people deserve to be able to forget fear and to live in a free country.

I was a member of the MSZMP for 14 years, but because of my views and comments I was always considered an outsider. One was not supposed to notice that there was something wrong here. Those who dared to speak up were branded as class enemies. I was honest, always saying what was on my mind; I never subscribed to uniform, one-party opinions. I was thoroughly convinced that what I was saying was important, and that this party was indeed ready to act collectively, as so many in the MSZMP believed. I truly believed that this was not a centralized power, but a genuine people's

democracy. Even when I finally realized that it was not so, I remained convinced that things could be changed. I wanted the MSZMP to belong to the people! But when I saw old leaders who had been personally responsible for the past 40 years trying to carry over their power into the newly forming reform circles, I felt that I had had enough. After all, there is still such a thing left in this world as conscience and honor. I feel sorry for many of my former comrades who still have faith in the reform circles, for I am afraid that the old conservative wing may try to wipe them out. Many say that it is dishonorable to jump a sinking ship.

I am not a ship captain. It is not because of me—and the many honest passengers—that the ship is sinking. We never had a say in charting its course. So the ship has run aground. As for me, I do not like to stand still; I want to work, to do something. I do not want to engage in senseless debates, because that is not what I have been saving my remaining strength for.

I do not own a weapon. Even if I did, I would not be threatening anyone with it. I have experienced enough fear and threats to last a lifetime. I despise barbarism. I believe that reason will prevail, and that through the power of collective thinking, by accepting one another's good ideas, and by applying our individual methods we can change things together. None of the alternative organizations want to spark a civil war, for we all know that an armed conflict would mean the end of our existence as a people. Armed force cannot, and will not, ensure the victory of reason and intellect. What we would like instead is to see prince Arpad's people working collectively toward a common goal, and uniting in the interest of self-preservation.

POLAND

Parliamentary Working Commissions, Seat Allocations Outlined

26000700 Warsaw PRZEGLAD TYGODNIOWY in Polish No 34, 20 Aug 89 p 3

[Article by Halina Zielinska: "Working Zones"]

[Text] Working spheres have been divided up. Permanent deputies' and senate commissions have been established and clubs and the Senate have presented their makeup to the Sejm.

The number of deputies' commissions has not changed just as in the Sejm of the Ninth Term there will be 21 teams-groups. However, the sphere of problems to be worked on by the deputies has been divided up differently.

For example, the sphere of justice has been separated from the administration and internal affairs and now exists independently. The sphere of cultural affairs has been assigned the extra responsibility for the mass media which did not constitute an area of interest of the Sejm of the Ninth Term. It was determined that the sphere of education is closer to science and technological progress

than, as had been the case previously, to youth problems. On the other hand, youth related issues have been linked up with physical education and sports.

The sphere of forestry, which had been formerly merged with the food economy has been currently merged with the environment and natural resources department. The ministry of construction, which had been formerly tied to land use and municipal management, has been assimilated into the system of economy and industry whereas land use and municipal management has been linked up with territorial self-government.

National and ethnic minorities, which previously had not been represented, have appeared in the new Sejm. The new Sejm has established contact with Poles abroad.

The economic plan has disappeared and in its place economic policy, together with the budget and finances, has appeared. Problems involving the mining and power industries as well as transportation and communication, which had been formerly reviewed by separate commissions, will now be looked into by the commission for the economic system, industry, and construction. The Health Ministry, which had formerly coexisted with social policy, was determined to constitute a problem in itself.

In principle, senators have grouped themselves in a similar fashion, although there are only nine senate commissions.

The new setup appears to be more logical and cohesive (for example, mergers or more precisely, merger triangles: the economic system-industry-construction or landuse management—municipal management—territorial self-government or the isolation of health issues that are actually tied to social policy). Is this new arrangement more practical? Time will tell.

Will quantity transform itself into quality? The most numerous are parliamentary as well as senate commissions that handle the most sensitive aspects of our life today. Fifty-nine deputies (each one has the right to sit on two commissions) will take part in the work of agricultural and food economy commissions: 21 deputies from the PZPR [Polish United Workers Party] Deputies' Club, 20 from the Citizens Parliamentary Club, 15 from the ZSL [United Peasant Party] Deputies' Club (deputies from the ZSL, as is natural, have the most numerous representation in this commission). Two persons belong to the Deputies' Club of the SD [Democratic Party] and one person belongs to PAX ["PAX" Publishing Institute].

The same number of people will be involved in correcting the economic system, industry and construction. Twenty-two persons belong to the PZPR Deputies' Club (Marcin Swiecicki among them), 22 belong to the Citizens Parliamentary Club (Andrzej Zawislak among others), 10 are members of the ZSL Club, 4 from SD and 1 representative each in the PAX and PZKS [Polish Catholic-Social Union] deputies' clubs.

Forty-three people will work on the economic policy, budget, and finance commission: 15 from the PZPR Deputies' Club, 17 from the Citizens Parliamentary Club, 8 from ZSL, 3 from SD, and one each from PAX and UChS [Christian-Social Union]. The Citizens' Club is represented here by, among others, Ryszard Bugaj, and Andrzej Zawislak.

The National Economy Senate Commission is also one of the larger commissions with 37 members and headed by Witold Trzeciakowski. Among the members of this commission are: Jerzy Dietl, Andrzej Paszynski, and Andrzej Wielowieyski.

Twenty-seven persons have joined the Administration and Internal Affairs Commission: nine deputies each from the PZPR Deputies' Club (Dobrochna Kedzierska and Jozef Oleksy, among others) and from the Citizens Parliamentary Club (Jacek Kuron, among others).

The Senate Commission for Human Rights and Law and Order numbers 15 members. The following, among others, belong to it: Zofia Kuratowska, Jan Jozef Lipski, Andrzej Szczepkowski, Edward Wende. The chairman is Zbigniew Romaszewski.

Twenty persons sit on the Parliamentary National Defense Committee: eight from the PZPR, seven from the Parliamentary Citizens Club, three from the ZSL and one each from SD and PAX.

The interests of the deputies and, therefore, the makeup of the committee may, as yet, change. However, it is already clearly evident that it has been decided to maintain in each group a state of numerical balance between the representatives of the PZPR Deputies' Club and the Citizens Parliamentary Club. In 7 commissions, the number of representatives from both clubs is the same (among others, in the commission for Cultural Affairs and the Media—13 deputies from each of the 2 clubs; 15 deputies each in the Environmental Protection, Natural Resources and Forestry Commission; and 11 each in the Foreign Affairs Commission).

In three commissions (for example, the Economic Policy, Budget and Finance Commission, or the Commission for Economic Relations with Foreign Countries and the Maritime Economy) representatives from the Citizens Parliamentary Club are more numerous. However, neither of the sides outnumbers the other by more than 2 to 3 people in any of the commissions. Therefore, the results of deliberations may depend on reserve players.

The deputies and the senators have equal rights. They have the same privileges for the body and soul, although, frankly speaking, a monthly allowance in the amount of 100,000 zloty (the same amount was received by the deputies of the previous term) can hardly be treated as a privilege. Those who are in the learned professions will, in particular, find themselves in the worst situation because they will not be able to devote very much time to activity outside of the Sejm. Thus, it may be expected that the representatives of the people will also make demands for indexation (nota

bene: the amount and principles governing the payment of allowances is determined by the Sejm Presidium).

The deputies and senators are also entitled to a membership-identity card which serves the additional function of a free ticket. By showing this I.D. card, they can travel on PKP [Polish State Railroad] trains, PKS [State Airlines] buses, urban mass transit systems, domestic LOT [Polish Airline] lines and even by cable car and land-cable cars. They are also given priority in obtaining reserved seat tickets, sleeping car reservations and airline seats.

For their mind and soul, they receive free newspapers and publications indispensable for carrying out their functions. The right to personal and parliamentary immunity, to which deputies and senators are entitled, has a spiritual rather than corporal character. In keeping with the Constitution, deputies cannot be prosecuted or arrested without the consent of the Sejm and senators without the consent of the Senate. They are also guaranteed specific legal-penal protection whereas any attempt on the life of a deputy or senator is punished more severely than against an ordinary mortal.

In the history of the PRL [Polish People's Republic], there was only one instance, that of Maciej Szczepanski, former chairman of the Committee for Radio and Television, where parliamentary immunity was revoked. Such a decision was made by the Sejm in October of 1980. On the other hand, there has not been even one incident of a deputy being recalled by the electors perhaps because the process of such a recall was for a long time very unclear and complicated after that. According to the elections law of 1985, the motion for a recall is submitted by the organization that nominated the candidate or by 10 percent of the voters from the elections precinct.

In the most recent elections law of April 1989, it was outlined when a deputy's or senator's seat is terminated (when an election is deemed invalid, when one refuses to take the deputy's oath, the loss of the right of eligibility, death, or resignation from the seat). Also, the elections law of 1985 was repealed. However, an outline of the procedure for recalling representatives of the people was overlooked.

Thus, in this term of the Sejm, as well there will not be any instance involving the recall of a deputy or senator by the voters. Not because of an overabundance of confidence in them but because we do not know how this is to be done.

Peasant Party Radicalized, Central Leadership Rejected

26000704 Warsaw PRZEGLAD TYGODNIOWY in Polish No 35, 27 Aug 89 p 6

[Article by Adam Warzocha: "Peasant Wisdom"]

[Text] During the harvest season, political life in rural areas comes to a standstill. However, this year, Social Committees for the Rebirth of the Peasant Movement are being organized in Malopolska [Little Poland] during

spare moments. They are appearing first in Tarnow Voivodship because that is where Wierzchoslawice is as well as Witosowa Wola. That is also where from time to time, the Society of Friends of Wincenty Witos's Museum would gather whose membership was very competently put together since five of its members are currently [Sejm] deputies.

Irritating news about the necessity of radical changes in the image of the peasant movement has been reaching the headquarters of the ZSL [United Peasant Party] from Wierzchoslawice for several years now. At one point, news arrived from the headquarters that chairman [ZSL] Gucwa himself was planning to come to Wierzchoslawice for talks with the Peasant Movement Rebirth activists. However, something came in the way and Comrade Maj came as a delegate. Radical Kiec from Tarnow exerted himself in his 1-hour speech about the necessity of renewal, following which delegate Maj stated that he is not authorized to do anything and everyone went their separate ways.

The supreme authorities of the ZSL acted with tolerant attitudes from their hierarchic positions toward the social rebirth movement of the Peasant Party until the last days of June 1989. That is when a meeting took place in Lublin of the newly elected ZSL deputies with chairman Malinowski. An appeal to "All Peasant Party Members," prepared by the All-Polish Social Committee for the Rebirth of the Peasant Movement was read before this body. The text contained two pages with excerpts as follows: "Peasants and Peasant Party activists want to know the sources of the crisis. They want to know where the ZSL authorities were when-at the expense of and to the detriment of the peasants and against peasant wisdom and experience-expensive and inefficient state latifundia leading to great wastefulness of the national assets were created? Where were the ZSL authorities when by economically degrading rural areas, peasants were driven out from their own land?...Why were the ZSL authorities never able to take up action that would prevent the deprivation of peasant farming and rural areas? Antipeasant and antifarming politics was systematically conducted in our country with the active participation of succeeding chief functionaries of the ZSL. The general feeling among member groups and widespread public opinion was that the ZSL main authorities and many voivodship ZSL authorities had become a bastion of backwardness in Poland."

After reading the appeal, the newly elected deputy Kiec approached Comrade Malinowski and said: "Has not the time come, comrade chairman, to talk?" And Comrade Malinowski replied that, yes, that time has come.

Radical revivalists of the Peasant Party are united by a bond of deep mistrust of the ZSL main authorities, by bitterness caused by long years of a lack of independence of the Peasant Party (the "Captive Peasant Party") which has resulted in a complex and in that rural areas as a whole are eager debaters of politics—but outside the ZSL.

T. Kisielewski feels that the model of the party represented by the ZSL is unacceptable because it is a copy of the model of the Communist Party. The ZSL is characterized by centralism, a hierarchic dependence and the dominant role of the apparatus. True democracy has been preserved only at the bottom, among rank and file members.

Franciszek Kiec says that much of the activity was based on calling in and drilling the chairmen of voivodship committees by the chairman of the Main Committee and these in turn would come back and drill others. And all of this took place covertly.

Kazimierz Firlej, who in 1981 served as chairman of the ZSL City Committee in Rzeszow, which at that time was the only ZSL committee in the country that officially supported the demands of the Rzeszow-Ustrzyki strike, claims that the weakness of the Peasant Party lies in its staff activists—opportunists. The economic situation changes and they along with it in order to keep their jobs.

According to the information given by Aleksander Bentkowski, attorney from Rzeszow and social activist in the city echelon of the ZSL, who after winning a deputy's seat became the chairman of the Peasant Party deputies' club, 3,000 people work in the ZSL staff apparatus in the country. There are 20,000 such professional politicians in the PZPR [Polish United Workers Party].

The attitude of professional ZSL activists of voivodship rank toward the actions of activists reviving the peasant movement is, of course, varied, even in Malopolska in which the social movement is the most energetic. The vice chairman of the WK [voivodship committee] ZSL in Przemysl, Stanislaw Bajda, stated: "All members of the WK ZSL Presidium, the staff administration, and social activists are aware of the need for far-reaching reforms in the ZSL. That is why there is cooperation between the WK ZSL and the social movement."

On the other hand, in Rzeszow things are strange. Deliberations of social revivalists were conducted in the beginning of July in the WK ZSL club room which is adjacent to the quarters of the voivodship chairman—however, no one from the leadership came to the deliberations. Jan Bartman, town-gmina chairman of the Peasant Party activists from Lancut resented this. However, the organizer of the meeting of the Rebirth of the Peasant Movement, Aleksander Bentkowski, stated that the WK was informed of this meeting and since the chairman did not interfere in it taking place, then in spirit he is most probably with us.

The social revivalists are most united in their aim to establish recognition for the accomplishments of the Polish Peasant Party [PSL] because this was the last peasant party, organizationally sovereign and independent in terms of its program. The Congress of Peasant Movement Unity of 1949 is evaluated extremely negatively by the reformists. Tadeusz Kisielewski has termed this act of unity, "the greatest calamity of the peasant movement."

The attempt by the ZSL central leadership to organize festivities in connection with the 40th anniversary of unity was described by Kiec as inappropriate because "there was no unity of any kind, it was a violation."

Attorney Kaleta talked about those moments in 1949. "Twenty-nine of us, PSL members, were taken from prison to appear in the United Congress hall. Nine of these raised their hands 'for.' Those remaining, in hearing who was for, who against and who abstained—remained silent. It took courage to be silent. It was victory over fear."

Franciszek Hawer came to the Congress of Unity in 1949 from Markowa as a delegate of the Peasant Party [SL]. Hawer had an idyllic youth.

He lived a few steps away from Solarz University in Gac and did not imagine—how could he—that following August 1980, already as a dignified farmer with a walrus mustache, he would adorn the Main Committee Presidium as a social vice chairman. When in 1949, he arrived in the capital, he was escorted to the attic of some building and there his guardian-guide took out a gun which was protruding from his jacket and placed the gun on the table with the barrel facing sideways and tried to convince Hawer about the need for unity. At the congress, Hawer was seated next to another "markowiak" [?], Jozef Tejchma, who at that time belonged to the "greens" and between them or next to them sat the ideological advisor whose jacket had something protruding out of it.

"We do have something to refer to," stated Franciszek Kiec. "Let us not go all the way back to the days of Piast because we can refer to the updated program of the PSL from the congress of January 1946."

The agricultural program of the PSL was reviewed by Tadeusz Chrobak, an employee of the Higher Pedagogical

School in Rzeszow in which a large ZSL circle is active. He says that the PSL was against the method of conducting farm reform because it was steered by political and not economic objectives. The PSL was for family farms with a land area of 5 to 20 hectares. It was for excluding 10 percent of the land for high grade agricultural cultivation of 50 to 100 hectares. It favored the elimination of a half million 2-hectare or smaller farms and the people from these farms were to reinforce industry in cities and the realm of rural crafts and trades services. It promoted the development of processing cooperatives, the introduction of social insurance for farmers, and demanded the elimination of mandatory supplies of agricultural products to the state. Part of its program was to make sure that agricultural production was profitable because this not only would raise the standard of living in rural areas but would make it possible to export agricultural products instead of coal. Its principal slogan was: "Democracy cannot be implemented by the superiority of one party."

Numerous gmina and city committees of renewal have been organized in Malopolska. In Zolynia, Rzeszow Voivodship, the ZSL gmina committee has changed its sign to GK [gmina committee] PSL and has joined the reform activity. In Ustrzyki Dolne, the PSL is operating, but outside of the reform structure. In Krosno Voivodship, a Voivodship Renewal Committee has not as yet been organized. In Rzeszow Voivodship, there were in mid-August 109 rural renewal committees as well as numerous higher level structures.

"For whom are we creating this new party," asks Henryk Nicpon, a man of 80 from Rzeszow, "when there is a shortage of 20-year-olds in the peasant party?"

The reformers are not worrying about this. After all, they are reforming so as to, among other things, attract 20-year-olds.

INTRABLOC AFFAIRS

CEMA: Changes Needed To Remedy Ills, Prevent Western Domination

26000734 Poznan WPROST in Polish No 35, 27 Aug 89 pp 6-7

[Article by Marek Ratajczak: "Which Way Forward?"]

[Text] The recession of the traditional model of international economic cooperation among the member countries of CEMA [Council of Mutual Economic Assistance] is one of the basic signs that the traditional, at bottom uneconomical, vision of the socialist economy is failing. This vision prompted treating of the economy as a single large factory, in which the center controlling the means of both economic and noneconomic pressure was to fulfill the role of chief director. Such a system of economic performance also had to be reflected in the sphere of economic relations abroad. Within the framework of CEMA, a model establishing the following was formed: centralization of cooperation, lack of direct ties between economic units from various nations, lack of free flow of production factors between nations, basing of exchange on the detailed, factual balancing of trade, minimization of money's significance, domination of bilateral relations, and avoidance of solutions of a supranational nature. The first five features of the traditional model of cooperation in the CEMA framework were primarily a logical consequence of the centralized, administrative system of performance of the member nations, inasmuch as the two remaining phenomena were partly an expression of a game of interests of each of the nations.

A particularly important game was the one played, on the one hand, by a nation in control of its economic and military potential and position in the international arena, and on the other hand, by the other nations of the Council, indeed, often in control of better-developed economies than "big brother," but also not having a large economic and military potential, nor a powerful political position. Mutual contacts allowed a large world power to influence various policies in regard to each of the other CEMA nations. Those, in turn, could compete to achieve better conditions for cooperation with the USSR.

Avoiding solutions of a supranational nature was, to a certain degree, an expression of defensive reactions on the part of the smaller nations, which feared that supranationality could, in practice, mean the strengthening of the strongest partner's domination.

Symptoms of the shortcomings of the above-described traditional model of cooperation in CEMA are, to a great extent, the competitive and non-complementary economic structures and various autarkic tendencies accompanying them, weak results of scientific and technical progress, significant "impenetrability of borders" and of additionally "tightened" borders in many recent cases, and shortcomings of infrastructural ties.

The weakness of economic integration in socialism is also reflected in the indicators depicting the share of CEMA nations in world trade. In 1960, 10.2 percent of world export and 10 percent of world import fell to the seven European members of CEMA. In 1970, the respective figures were 9.8 percent and 9.3 percent, and in 1978, 8.8 percent and 7.8 percent (including 4.4 percent and 3.8 percent for the USSR). Producing nearly 33 percent of the world's industrial production, CEMA members participate in only 10 percent of world export of industrial products. In the case of machine industry, production is nearly 35 percent of world production and 9 percent of the share in world export. Only about 1 percent of the world's exchange of scientific and technical achievements falls to CEMA member nations.

The very modest share in world trade is primarily an expression of CEMA's hermetic nature (in 1986, about 60 percent of the export and about 60 percent of the import of European nations belonging to CEMA was realized within CEMA). The low indicators depicting the share in world trade also reflect the weakness of economic ties of CEMA's member nations with other nations.

Without making basic changes to the systems of performance of individual economies and the system of cooperation in CEMA, the socialist states will be left with the role of subordinate partner of the developed western states, a partner treated as a raw-materials and energetics base (about 70 percent of the export from the European nations of CEMA to developed western nations consists of oil, raw materials, metal ores, and minerals).

The farthest reaching postulates affecting the changes to CEMA are formulated in those nations which are the most advanced in the discussion concerning the new economic vision. The idea of a joint CEMA market is discussed in such nations as Poland and Hungary. The USSR is also setting a good example here. However, the eventual realization of this plan in all member nations, or only among some, requires, above all, radical changes to the system of performance of individual economies. For a joint international market cannot exist without the operation of a market mechanism within each nation, without real money, actual prices, and other parameters of economic reckoning.

The recently reached decisions introducing the possibility of noncontingent exchange, limited use of national currencies in bilateral settlements, and the development of direct production ties, are a step forward in relation to the traditional model of cooperation, and, at the same time, one of the stages on the road to true integration.

Differences of opinion among the partners are a basic obstacle on the road to making radical changes to the system of cooperation of CEMA nations. Three non-European nations (Cuba, Mongolia, and Vietnam) fear that the economization [versus politicization] of economic relations will mean verification of the conditions under which aid is granted to them. East Germany and Romania are not positively disposed to some of the proposed

changes, mainly because of the existence in these countries of a highly centralized system of economic performance. Bulgaria and Czechoslovakia declare support for reforms of a very moderate nature.

Demands to initiate efforts to join the European Common Market are appearing in Poland and Hungary. Besides the very basic question of the political determining factors of such a decision, the question also arises, whether the economic conditions necessary for eventual realization of the idea of participation with full rights in the Commonwealth exist or will exist in the near future. This especially concerns systemic determining factors, and not the level of development of this or that component of the economy. Turkey, which is aiming to join the Common Market, and Portugal, which is already a member of this organization, have, in many respects, more poorly developed economies than Poland and Hungary. However, both of these countries have regulations for the economic game similar to those which control the operation of other western economies. On the other hand, the principles of economic performance in Poland and Hungary-in spite of various reformatory actions—are, to a great extent, using the popular description from informatics, "incompatible" with the regulations of a market economy. The experiences of Polish and Hungarian reform also indicate that it was significantly easier to eliminate the principles of market economy in the past than to restore them at the present time.

Thus, not dismissing eventual integration with the developed western economies, we should aim to make those changes in CEMA that will enable taking advantage of all those chances for development of member nations that are inherent in the idea of international economic integration. Unsuccessful cooperation in CEMA threatens to deepen the domination of an integrated Western Europe over the individual nations of Eastern Europe.

GDR-CSSR Long-Term Water Management Detailed

90EG0001a East Berlin WASSERWIRTSCHAFT/ WASSERTECHNIK in German No 6, Aug 89 pp 131-132

[Article by Zdenak Kopecny, Grad. Engineer, CSc., deputy minister for Forestry, Hydroeconomy, and Lumber Industry: "CSSR-GDR Cooperation in Frontier Waterways Hydroeconomy"]

[Text] Hydroeconomic cooperation between Czechoslovakia and East Germany has a long tradition over many years, which is determined by the hydrographic situation of both brother socialist countries. Our common border crosses 117 water channels, and the border directly follows 97 waterways for a total "wet border" length of 120 miles. This distance corresponds to 42 percent of the total border length.

February 1989 marked the passing of 15 years since the new CSSR-GDR agreement for frontier waterway cooperation was signed. This anniversary is occasion for a

review of accomplishments achieved through this cooperation, and also for consideration of further plans. Work accomplished through this agreement demonstrates that the new comprehensive approach to cooperation between water resource agencies and territories along the border waters was correct. Cooperative work completed via this treaty was oriented towards expansion and rehabilitation of waterways and waterside facilities in a manner which left the course and character of the border unchanged. Both sides endeavored to use and maintain the frontier waterways and facilities such that no damage was inflicted on the other's territory, nor would hydroeconomic conditions deteriorate. In the interest of rational utilization and protection of the frontier waters, hydroeconomic planning and budgeting was further extended. In keeping with economic and technical possibilities, both sides protected the current water quality levels.

Provisions for needed water drawdown from the frontier waterways for residential, industrial, and agricultural consumption were established. Cooperation is directed towards, among other things, the use of water power, amelioration measures, flood and ice protection, combating losses on the water and emergencies, and gravel and sand reclamation.

The Joint CSSR-GDR Government Frontier Waterway Commission also contributed to meeting treaty requirements. The commission met annually to discuss current questions regarding cooperation on the border waterways. The appropriate advisory background documentation was prepared by the three standing joint work groups: the Work Group for Hydroeconomic Planning and Budgeting, the Work Group for Frontier Waterway Construction, and the Work Group for Water Quality Control and Hydrologic Studies.

Three reciprocal working agreements were ratified for the purpose of practical (treaty) implementation. They concern:

- cooperation in frontier waterway planning and budgeting;
- waterway construction on the frontier waterways;
- frontier waterway water quality control and hydrologic studies.

The following all make a positive contribution towards common progress in fulfillment of treaty requirements: the methodology developed for border waterway planning and budgeting; standards for design and construction of expansion and rehabilitation projects on the frontier watercourses as well as for maintenance, repair, and operation of waterway facilities on frontier watercourses; indexed computations and backup information for international reciprocal accounting of construction activities; information on water resource agencies' territorial jurisdiction in trials concerning waterway law; the guidelines and standards for inspection and estimation of developments in the state of the frontier waterways; guidelines for information exchange in disturbances on

frontier waterways and for information service during normal flow conditions as well as during extreme hydrologic situations on the frontier waterways.

So far, the mutual cooperation has achieved the following:

In the field of water management, the coordinating agreements on utilization of the Elbe and its tributaries on both banks, the coordinating agreements on utilization of underground frontier waterways in the Jablonne v Podjestedi-Lueckendorf, preparation of a coordinating agreement on utilization of subterranean waterways in the Krinice/Kirnitzsch area, selection of the most suitable location for a water treatment plant in Varnsdorf to improve water quality in the frontier river Mandava/Mandau, optimization of protective measures for the Czech portion of the backwater area behind the Gottleuba valley reservoir in the GDR, and coordination of both states' interests in the dams planned for the Lauenstein and Kueuhnheide valleys in East Germany.

Based on the decades-long experience with practical application of reciprocal agreements, the agreement on use of Elbe left bank tributaries was refined in 1988 in the compilation of results from joint studies and water management plans.

The coordinating agreements on the use of this most important frontier river between the CSSR and the GDR were also expanded on the basis of joint studies on water conditions and volume projections.

In the field of potable water supply for the border areas, the Czechoslovak communities of Kraslice, Dolni Poustevna and Jirikov, which do not have their own water supplies, are supplied by water lines in Klingenthal, Sebnitz and Neugersdorf in East Germany. Water supply for Dolni Poustevna and Jirikov is maintained by the GDR for a fee. In turn, the Czech side permitted the GDR to use the Rajec spring reservoir for supplying the community of Hellendorf between 1978 and 1983.

In the field of frontier waterways construction, all year long, the frontier waterways are maintained through cyclical rehabilitation at a 170,000 evaluation units level of funding, required of each side by the treaty. Often, this activity prevents great damage which could be caused by water erosion in the frontier waterway areas or erosion's results (carrying away of agriculturally usable topsoil, devastation of forest reserves, destruction of border benchmarks, etc.). Since 1978, the CSSR has completed rehabilitation work on the Rybny potok/Gottleuba, Krinice/Kirnitzsch and Svednice/Schweinitz waterways, and for the East German part, the Nacetinsky potok/Natzschung, Nisa/Neisse, Spreva/ Spree, Polava/Pohla, Petrovickypotok/Bahra and Slatina/ Mordgrundbach waterways (were rehabilitated). Over 3 million evaluation units have been spent by each side for repair work on frontier waterways between 1970 and 1987. In the dewatering of arable land in the CSSR in Cinovec, Lahost and Fukov, the GDR side permitted the discharge of water into East German waterways, which saved the CSSR capital and operational expenses.

In the field of water quality protection and hydrological studies, joint studies of water conditions of seven frontier waterways in 11 profiles are conducted annually, 56 measurements are taken annually in 11 selected border water channels with flow meter stations for frontier waterway flow analyses and average monthly flow rates are determined at 13 water depth gauges in 6 channels. Data on water elevations and discharge rates is reported daily from the Prague Hydrologic Institute to East Germany, along mutually developed guidelines for the information service. The CSSR provides the GDR with data necessary for (computer) modeling of flood discharges and frequencies. This data exchange is made possible via a corresponding personnel and equipment exchange between affected water resource agencies. With a common water surface profile model for the Elbe, prediction accuracy is improved and prediction time is expanded.

The first joint multidisciplinary exercise for water contamination control, designated "International 88," was carried out in October 1988 on the Elbe river near Prossen, East Germany. This exercise was for the coordination of joint activities during emergencies. The year-long bilateral cooperation in the field of water contamination control was underscored with a practical exercise.

The management of our Ministry has a positive estimation of the accomplishments since the agreement came into effect 15 years ago. The individual agreements of the treaty have contributed to the bettering of the condition and security of the waterways and waterside facilities in our border area with the neighboring GDR, and also to the improvement in waterway water quality. The improved water conditions ultimately improve the quality of the living environment for the populace of these areas. This is also an important contribution by the water people in the GDR and the CSSR to the realization of the economic and social policies established in the SED [Socialist Unity Party of Germany] and KPC [Communist Party of Czechoslovakia] party conferences. Because of that, I would like to use this forum to thank the colleagues of the East German Ministry for Environmental Protection and Water Resources and the water resource agencies who participated with their concrete work in the fulfillment of this treaty. Good wishes to them on their 40th anniversary of the founding of East Germany. Bound with the accomplishments and experience of the past, we water managers in Czechoslovakia will provide the foundation for further successful cooperation on the frontier waterways with the GDR.

GERMAN DEMOCRATIC REPUBLIC

Agriculture Academy President Seeks Improved Grain Yield

23000235 East Berlin NEUE DEUTSCHE BAUERNZEITUNG in German 1 Sep 89 p 4

[Unattributed article: "Advances in Science: Prof Dr Dieter Spaar Foresees a 40-Percent Increase in Production Yield Through Advanced Genetic Research] [Text] Academy President Prof Dr Spaar said in his report that the highest research priority for agricultural scientists in the fields of soil fertility, genetic research, vegetable, fruit and feed production, as well as in operational research is to achieve top results quickly and to apply them to practical use. Since the concept of comprehensive intensification of agriculture stresses the increase in plant production capacity rather than in livestock, it is necessary to use the country's precious soil as efficiently as possible. Spaar said that the most important aspect of implementing an economically efficient 'strategy' in agriculture is to increase crop yield, to make better use of each plant's potential to produce more.

The Need for Disease-Resistant Plants

As he talked about scientific advances in genetic research, Spaar stressed that future plant yields will continue to increase by 25 to 40 percent. He supported his prediction with results from 282 experiments that have yielded maximum capacity since 1985. He said that other important aspects of genetic research are the resistance of plants to damaging influences, the staggering of maturation dates, and the superior suitability of crops for mechanized harvesting, storing, and processing.

The academy president paid particular attention to grain yields. He said that in order to harvest 13 million tons of grain a year, it is necessary to increase the best grain yields to date by one-tenth of a ton per hectare per year. Depending on its use, the grain must also be high in nutritional quality and caloric yield.

Prof Spaar stressed that one particular mix of summer barley seed has put a check on diseases and thus deserves international attention. He said that the cultivation of potatoes, sugar turnips, and feed grains is also concerned with higher yields, high utility values, and increased resistance to diseases and pests. The cultivation of potatoes has seen remarkable progress through the use of new virus and nematode resistant varieties. The next challenge is to develop potato plants that are resistant to herbicides and phytophtora. The cultivation of sugar turnips needs similar breakthroughs, especially with regard to a virus-induced yellowing that threatens crops. But the most important task is to increase the white sugar level of all sugar turnip varieties. Spaar said that the cultivation of rape has yielded an assortment of varieties whose yield is very respectable even by international standards. It is now being supplemented by so-called zero-zero variants which are erucic acid and glucoside free. With respect to the cultivation of maize he said that successful international cooperation in genetic research has resulted in stabilizing the assortment of maize varieties with new high yield samples in all four maturation categories. The yield capacity of vegetables, though, still can't be compared to international record values. However, increased use of biotechnological techniques will accelerate research, said Spaar.

Experimental Farms Test New Techniques

The achievement of usable yield potentials of plant varieties and the effectiveness of agro-technological techniques depend critically on soil fertility. Science has developed complex methods for growing record harvests and when put to the test, they have often proven successful.

The expert use of organic and non-organic fertilizers, careful and energy efficient soil preparation that allows for field locations and different crop types, appropriate mechanical soil improvement and irrigation, as well as favorable crop rotation are still the most important methods. All have been tested on 20 experimental farms comprising over 10,000 hectares of land. Crop yields have been increased by 7 percent in experiments conducted from 1986 to 1988. Spaar said that in the future special attention will be paid to research in crop rotation and the development of new cultivation and production methods. This way, it should be possible to extend the record yields that were achieved with one particular variety in experiments on 19 agricultural producer cooperatives to an entire crop rotation sequence.

The speaker then talked about how to use the three most important methods of intensive agriculture—fertilizers, pesticides, and irrigation—to their greatest effect. He said that Fertilizing System 87 together with soil and plant analyses provides agriculture not only with a very good tool to increase crop yield but also with a system that doesn't threaten the environment.

He further mentioned that the use of pesticides not only increases crop yields but also lowers the amount of labor rquired. Using fungicides in grain cultivation raises yields by 15 percent, and in the production of sugar beets it is the use of effective herbicides that makes the inevitable transition to a largely mechanized production process possible.

Joint Cooperation

The president of the Agriculture Academy said that by 1990 new production methods for all main crop varieties will be either ready for implementation or in the planning stage. For example, computer assisted soil and stock management will be introduced for 12 outdoor vegetable varieties. These new management techniques have been tested by 42 agricultural producer cooperatives and state farms. In record yield experiments conducted from 1985 to 1988, over 90 percent of usable yield potential, averaged over all crop varieties, were achieved.

The president put in a plea for direct contractual cooperation between research centers and institutes of the academy, between departments of universities—and other institutions of higher learning—combinates and agricultural farms and farm cooperatives. He said that the basis for such cooperation is firmly rooted in the ever advancing level of education among farmers and workers.

HUNGARY

CEMA Trade Conditions Restricted

25000443b Budapest NEPSZABADSAG in Hungarian 4 Sep 89 p 4

[MTI report: "Why Are Soviet Deliveries Falling Behind? Government Makes CEMA Trade Conditions More Stringent"]

[Text] Recently the Soviet Union's failure to deliver chemical industrial benzine and electrical energy have evoked great response. Beginning on 1 September the ruble will be accounted for to Hungarian exporters at a lower exchange rate. MTI [Hungarian Telegraph Agency] asked Piroska Apro, deputy minister of commerce, about trends that have taken place this year in Hungarian trade with CEMA.

Our largest balance of payment surplus-567 million rubles-evolved through trade with the Soviet Union. The surplus in trade with Poland and Bulgaria amounts to 81 million and 35 million rubles respectively. Compared to a similar period last year, imports from the three countries have declined. Interest among Hungarian enterprises in effecting socialist exports is also overly keen. That interest exists because payments for socialist exports are made in forints within a few days, while the same requires several months for capitalist exports. During the first half of the year, Soviet contractual obligations were fulfilled to an extent of 250 million excess rubles, as a result of early delivery on shipments scheduled for the second half of the year. Contributing to the balance of payments surplus was a loss on exchange rates and revenues produced by increased tourism. The surplus now is a multiple of the 170 million ruble surplus planned for the end of the year.

Accordingly, the government could no longer wait to reduce the ruble exchange rate. As originally planned, this measure is expected to produce reduced exports and increased imports. Some additional steps were also taken. Beginning on 1 September the restriction on enterprises to remain within their profile has been lifted. The government will no longer give its approval to further export transactions payable in rubles, and will not permit early deliveries on orders scheduled for shipment in 1990. Shipments over and above the contingent can be effected only if the exporter provides for appropriate offsetting.

"Part of the truth is that there are no delivery problems with merchandise listed on offer sheets. In transactions involving such merchandise the partners would effect shipment at an appropriate pace, but Hungarian enterprises often require other things, such as modern equipment, developed technology, or services. Import liberalization also made its effects felt. Industrial, agricultural, and commercial business organizations preferred to import goods from capitalist markets.

Beyond all this, there are indeed delivery delays on items greatly needed by industry and the populace. In addition to the above-mentioned chemical industrial benzine and electric energy, coal, blast furnace coke, industrial woods, cellulose, and car deliveries were below the contractual levels. According to information I have received, the delay in coal and blast furnace coke deliveries has not caused serious tensions, but the situation is different with regard to industrial woods and cellulose. But this concern has been repeating itself year after year. People expecting car deliveries also have difficulty accepting delayed deliveries.

In such cases, materials and goods indispensable to industrial production must be obtained from, and replaced by, goods from the capitalist market on a special order basis. In most instances, the ministry begins negotiations immediately in order to discontinue delays.

Ramifications of Privatization, Law on Transformation Discussed

25000452 Budapest HETI VILAGGAZDASAG in Hungarian 16 Sep 89 pp 51-53

[Article by Erzsebet Szalai, associate at the Economics Institute of the Hungarian Academy of Science: "View of Privatization: It Will Break Off"; first paragraph is HETI VILAGGAZDASAG introduction]

[Text] At last week's meeting the government announced its intention to present the proposed law concerning the state asset fund to Parliament before the end of October. The author of this article—an associate at the Economics Institute of the Hungarian Academy of Science and a former participant in the working committee on proprietary reform at the national triangular negotiations—not too long ago demanded in an open letter that the committee's position concerning the Law on Transformation be publicized. The article expresses the author's opinion on this subject, supposedly not shared by all the experts.

Contrary to the generally accepted view, one cannot talk about exclusive state ownership in regard to commercial, industrial, and agricultural business organizations within the so-called state sphere. It would be more accurate to refer to this phenomenon as "party-state ownership." But the fact that in addition to the state and party bureaucracy, enterprise management also exercises ownership rights is at least as important. It does so enough that it can enforce its will in fundamental strategic decisions which concern the operation of an enterprise's assets. This includes primarily decisions concerning enterprise funds, development projects, and the main profiles of an enterprise.

Generally speaking, the management of a smaller enterprise is able to augment its proprietary rights by increasingly distancing itself from the state and party bureaucracy. The managements of large enterprises have less opportunity to escape from these; on the other hand they do have an opportunity to directly and significantly influence the decisions of state and party bureaucracy, and to achieve a position in which large enterprise management dictates conditions. This situation ensures them maximum proprietary rights, because from the standpoint of proprietary rights they themselves define their own "expectations."

Under such circumstances, the proprietary rights of enterprise leaders are smaller than they would be under conditions of exclusive ownership, but this statement does not apply to the leaders of large enterprises. Since the latter have an opportunity to seriously influence economic and redistribution policies, and the manner in which the entire property is operated both directly and indirectly, in the final analysis the exercise of fundamental proprietary rights are concentrated in the hands of the state and party bureaucracy and the large enterprise managerial stratum. The internal distribution of these proprietary rights is not openly defined and clearcut; to top it off, internal distribution induces constant struggle. The purpose of this struggle is to acquire as many ownership rights as possible, and to deflect responsibility to the maximum extent.

In my view the Law on Transformation constitutes the sanctioning by law of the shared proprietary relationship. At the same time, large enterprise managers' ownership authorities are becoming more pronounced and more forceful than ever, to the detriment of state bureaucracy. This is because larger enterprise managers are capable of choosing their new owners without any particular control. And in its essence, this means the stabilization of the overly centralized large enterprise structure which is largely responsible for our economic troubles.

Since 1968 the fierce struggle for proprietary rights within the field called the "state sphere" has been pursued above society's head between the state and party bureaucracy on the one hand, and large enterprise managers on the other. Where this led has by now become obvious. Endeavors I know of, however, indicate an intent to continue the earlier practice; the state bureaucracy intends to limit the proprietary rights of large enterprise managers which were strengthened by the Law on Transformation. This limitation would take place through the state asset fund which is about to be established. For example, they are talking about veto powers to be granted to the state asset fund relative to transformation into a volunteer company; the state asset fund would acquire prepurchase rights over part of the assets and stocks to be sold. In other words, this is simply the enforcement of earlier power mechanisms cloaked in a different garb. It is very likely that the above-mentioned limitations will constitute the subject of individual, informal agreements between the state bureaucracy and large enterprise managers. The means available for individual bargaining mechanisms are expanded, while ownership decisions by large enterprise managers, their economic and power positions, are not brought under any serious control. The conclusion is that provisions contained in the Law on Transformation which affect proprietary conditions must be suspended.

As a result of comprehensive proprietary reform, many people expect to witness the dismantling of the overly centralized large enterprise structure. It is my determined view that along with the given large enterprise structure it will be impossible to implement radical, comprehensive proprietary reform, moreover, even the possibility of starting to bring about changes is questionable. Since on the basis of experience gained thus far, decentralization initiated at the top and implemented by means of the state apparatus does not appear as either feasible or desirable, a solution must be sought in the significant broadening of opportunities for initiatives that start from the bottom. The strongly felt endeavors of factories and factory units operating in the framework of large enterprises to become independent must be permitted to prevail. In order to do so, however, the legal provision which requires a two-thirds affirmative vote by the enterprise council to allow a factory or a factory unit to break off the large enterprise, should be revoked as soon as possible. The opportunity to break off should be afforded for a 6-month period, and definitely prior to the establishment of comprehensive proprietary reform. Matters pertaining to property sharing which cannot be settled between the affected parties should and could be taken to an economic court independent of the state bureaucracy.

Comprehensive proprietary reform should take place only after the elections. This is because it is felt that the significant social tension that will accompany proprietary reform can be managed only by a legitimate power. On the other hand, this is also because the fundamental principles of proprietary reform must be developed on the basis of the broadest possible societal debate, and this is time consuming. I recognize a tendency for a one-sided, dangerous privatization process to begin above society's head—one that would provide preferential treatment primarily to private persons. Even if it were politically feasible to commence the dismantling of state property into private property, and even if privatization could be accomplished perfectly from the standpoint of economic rationale, society's standard of living will not significantly improve for a relatively long period of time, (in part due to the heavy burden created by the repayment of debts, and in part because the transformation of the economic structure tends to reduce rather than increase the total economic output in the short term, not to mention the shaken social security of significant social strata.) For this reason there is a good chance that initially some adverse feelings, and later a definite aggression, will develop on the part of strata which have neither property nor power. These sentiments and actions may be directed against the ruling elite, with the greatest variety of ideological expression. This would not necessarily represent a great social explosion. The evolution of small and large local conflicts is much more likely due to peculiar features of Hungarian society, however these would suffice to paralyze innovation and entrepreneurial spirit, and to scare away foreign capital.

It is largely due to these considerations that I consider the evolution of pluralistic proprietary conditions to be desirable. In the course of this development the greatest variety of social factors and groups-private entrepreneurs, local autonomous governments, autonomous workers' collectives, public foundations, public service institutions, banks, financial institutions, investment companies, etc.-would compete in the public view for the ownership of individual units of the sphere presently called the state sphere. As far as equal opportunity is concerned, proprietary reform must be not only efficient, but also fair to the greatest extent possible. Proprietary reform implemented in the absence of social consensus may be accompanied by the disintegration of political consensus. For this reason, as long as there is no social consensus, it would be inappropriate to initiate proprietary changes involving the state sphere. And the spontaneous proprietary changes within this sphere should be placed under the broadest possible public control. Without such control "spontaneous" changes would cause the increasingly larger parts of the "state" sphere to be transferred to the ownership of the present ruling class. In this context, party properties represent only the tip of the iceberg.

[Box, p 52]

MDF Concerns

The Hungarian Democratic Forum [MDF] will walk out of the economic policy section of the interparty negotiations if the changing of state enterprises into corporations, their privatization, continues to proceed in the present uncontrollable manner, the MDF presidium announced last Tuesday. We asked Peter Akos Bod, one of the MDF's economic experts, about the background of this statement.

[HVG] From summary reports presented by the daily press concerning the MDF statement, it appears that you have declared war against business organizations, against the privatization of state enterprises. What prompted this forceful reaction by the MDF?

[Bod] To begin with, it would be out of the question for the MDF to take a position against the market economy, entrepreneurship, or even in general against economic interests. On the contrary, we are protecting the evolving market economy morale against pirate activities. The statement calls on the government to temporarily suspend the application of a few legal provisions in the changing of state enterprises—primarily in the Law on Business Organizations and of the Law on Transformation. Accordingly, none of this means that the MDF opposes the establishment of mixed nationality corporations. The MDF objects only to the present practice of transforming state enterprises, that is their privatization. Cases we have seen thus far—e.g., the privatization of

the Ganz Vehicle Factory, the Ganz Electric Meter Works, and the National Paper and Stationery Cooperative [APISZ]—indicate that new owners are selected by enterprise managers, and these actions take place in complete secrecy and without controls, even though state property is involved. In the absence of social control, without the reliable appraisal of assets, Hungarian state assets that are contributed to the corporation could be underestimated, or the foreign contribution could be overestimated, thus making part of state property vanish. Guarantees must be established to avoid such situations.

[HVG] Do you have proof that any state enterprises were sold below their fair price, or is this only an assumption?

[Bod] There is no proof, but there are experts who believe that in the case of the Ganz Vehicle Factory the "Ganz" trademark alone is worth as much as the 2 million forints cash contribution made by the British party. On the other hand, it is equally certain that one could not prove, for example, that in the case of the Ganz Vehicle Factory this was the best deal from the Hungarian standpoint, because there was no opportunity for competitive bidding among foreign companies expressing an interest. For this reason, the MDF demanded in its statement that as a temporary measure, at least with regard to the most significant state enterprises, privatization should be suspended. Or, if it continues, there should be a reliable appraisal of assets, and following competitive bidding, privatization should take place under the control of a committee representative of society. A new owner need not be found at any price.

[HVG] In your view, wouldn't the societal control of privatization transactions scare away foreign investors?

[Bod] During the first 6 months of 1989, 2.5 times more mixed nationality joint enterprises were established than during the same period last year, but the foreign capital attracted per company dropped to one-third of last year's level, on the average. This indicates that serious, large investors have yet to appear. In my opinion, one of the reasons for this is that foreigners simply do not find the owners of Hungarian state enterprises; they do not know who is authorized to make a decision concerning the fate of state property. It would be reassuring from the standpoint of foreign investors, if in regard to the most significant state enterprises they could receive the final approval on privatization from a popular representative organ. This is because we are dealing with public property. The committee we suggested-definitely on a temporary basis, until a new parliament is convened-would fulfill this function in the most significant state enterprises. I believe that following the elections, the legislature would have to establish an asset management committee, if we may call that, for a similar purpose.

[HVG] Purely from a legal standpoint, these privatization transactions are beyond scrutiny, even if they contain a few legal and financial tricks. [Bod] Simply put, what's taking place today is that enterprise managers are taking advantage of the available legal opportunity, and are selling state property as their own, without societal or governmental control, and are also sometimes providing themselves with some. This process is obviously contrary to legislative intent. In the end there would be no property left after the election to be publicly privatized. The MDF wants to prevent this, because it believes that a broad bourgeois stratum should evolve in the future Hungary, with small property ownership.

[HVG] It was revealed at the press conference that followed last week's government session that the Council of Ministers also wants to change the rules of privatization. Are you satisfied with this decision?

[Bod] Government commissioner Janos Martonyi recognized a need for measures similar to ours. This pleases us. It is regrettable, however, that this did not take place a year ago. Because it happened this way, we should be talking about the government's sense of responsibility. They failed to incorporate in these laws institutions which guarantee the purity of business and the protection of state property, in a timely fashion. Subsequently, even though they took note of the processes which were counter to the spirit of the law, they have waited until now to take corrective action.

Flaws, Conflicts in Proposed State Accounting Office Law

25000477a Budapest FIGYELO in Hungarian 21 Sep 89 p 8

[Article by Emilia Sebok]

[Text] Next week's National Assembly legislative agenda includes a proposal for the establishment of a State Accounting Office [ASZ]. The proposed legislation would establish the ASZ as the National Assembly's control arm, meaning that the ASZ would be independent from the government and subject only to laws. The ASZ would have much needed general oversight authority in regard to the utilization of state funds and management. Still, it seems that certain provisions of the proposed law contradict the undoubtedly proper basic principles.

The most important basic principle is this: By virtue of its mission, the ASZ could not perform all state control functions, but instead only the auditing and control of state finances and management. Nevertheless, the ASZ could audit the operations of any entity which utilizes or manages state funds.

As taxpayers, we all welcome regular and expert control over state fund utilization after decades of unclaimed ownership. However, institutions subject to more stringent controls necessarily seek ways to relax the possibility of control, and criticize the proposed law from that standpoint. We gathered a few of these opinions. They are obviously influenced by special interests, but in

reality they call attention to certain provisions of the proposed law which are not fully consistent with the basic principle:

- —The legislative proposal's latest version known to us provides that in the course of auditing state property, the ASZ should examine the state Property Trust, the office to be charged with the preservation and growth of enterprise property fully or partly owned by the state. But the Property Trust's rules of operation have not been developed even in the form of a legislative proposal. For this reason the applicable provision of the legislative proposal establishing the ASZ will be presented to Parliament in a modified version. Control over the Property Trust will be omitted, according to information we have received. But even the exercise of control over the assets of enterprises fully or partly owned by the state represents an immense task, and aside from that, direct ASZ control over enterprises partly owned by the state may cause problems. In such enterprises owners other than the state decide what should be done with the assets, and the trustee representing state property is only one of the owners. If a state Property Trust does come about, the trustee representing state property will be held accountable by the Property Trust for the state property invested. Consequently, in this way, the ASZ's direct authority to exercise control will easily conflict with the spirit of the Law on Business Organizations.
- —According to new constitutional concepts adopted by the National Assembly, the Hungarian National Bank [MNB] would report directly to the National Assembly. The ASZ legislative intent explains that as a result, the ASZ would control the MNB's credit relationships with the state, as well as its records concerning the issuance of bank notes and coins.

This authority of the ASZ relative to the MNB is substantially more limited than what was contemplated in earlier phases of legislative drafting, but it still exceeds the limits acceptable to the central bank. It would be natural for the National Assembly to exercise its control over the relationship between the central bank and the budget through the ASZ; after all, Parliament authorizes the budget to borrow funds from the central bank.

On the other hand, bank experts claim that it is unacceptable for the ASZ to control the issuance of bank notes and coins, because that is a function peculiar to the central bank. Providing for the country's money supply is the central bank's responsibility; it must make decisions concerning the amount of money issued at all times in response to economic demand. This matter entails a professional issue which exceeds the authority and competence of the ASZ, therefore it could rationally control at most the propriety of data concerning the issuance of bank notes and coins.

At the MNB they stress the fact that this attitude on the part of the central bank is consistent with the desirable

order of division of labor. Parliament adopts the government's economic policy, and the means applied by the central bank adapt to the authorized economic policy. For this reason it is logical for the MNB to report directly to Parliament concerning the monetary measures it applied, and the ASZ should not have the authority to judge any element of these measures.

The order by which parliamentary control over the central bank is exercised should be specified in a still missing law concerning the central bank. Nevertheless, the lack of such a law must not give cause for the ASZ to be authorized to exercise parliamentary authority—such authority being granted at the level of laws.(!)

-According to the legislative draft, the ASZ would control the business management of political parties, as well as social organizations' utilization of the state share of contributions. Accordingly, the ASZ's projected authority to exercise control over parties is far greater than over social organizations. Many claim that this constitutes unfounded adverse discrimination. In addition, the legislative draft obviously exceeds fundamental principles in this respect, because the basic principle calls only for the control of the utilization of state funds. Why should Parliament's control arm examine the utilization of funds which flowed into party coffers as a result of say, profits, and why wouldn't the ASZ check the funds produced by NOK LAPJA [Women's Magazine] for the Association of Women!

The explanation attached to the legislative draft explains the discriminatory provision as follows: In the case of parties, the ASZ is supposed to examine conformity with laws, while social organizations are also controlled by the State Financial Control Office [APEH], this being the reason for the ASZ's control only over the state's share of contributions to social organizations.

It seems that in the midst of other preoccupations, parties paid no attention to such "minor" matters, even though if the authority proposed to be exercised by the ASZ is settled in the framework of another law, a law on political parties would be useless.

In relation to all of this, those involved are not at all reassured that as a result of the rules of procedure the ASZ would check the business management of political parties and MNB data pertaining to the issuance of bank notes and coins only from the standpoint of the propriety of data, while neglecting to consider standpoints of utility and results.

—A similarly debated topic of the legislative draft on the ASZ is the provision concerning the Social Security Fund. This provision authorizes the ASZ to control the management and utilization of the Social Security Fund. The Ministry of Social Welfare and Health disagrees with this concept, saying that the ASZ is authorized to control the utilization of only the state budgetary contribution to social security, and at most the activities of the administrator of the fund. This idea has occurred on the grounds that by controlling part of the Social Security Fund, the ASZ's authority would far exceed the basic principle which holds that as an organization the ASZ is to control state revenues and expenditures and the utilization of state property.

Based on foreign experience and practice, however, the legislative drafting staff claims that funds serving social security purposes are regarded as public funds everywhere. They treat these funds as capital and utilize the return on capital for social security purposes. And all these activities are controlled by general accounting offices. For this reason it would not be advisable to leave these funds outside of central control, and to rely only on the "internal" autonomous control of the Social Security Fund.

Based on all of the above we could say that they are trying to place under ASZ authority a number of control functions which do not quite belong there, and that they are doing so in an oversized manner. The legislative drafting staff is pressured from many sides in this regard.

Many people try to resolve many kinds of problems through ASZ control, including matters that do not fit into the scheme. Therefore it would be necessary to place on the agenda as soon as possible the modernization of the concept of state control. If for no other reason, this is needed because the chairman of the ASZ can assign control functions to other authorities exercising control. Accordingly, settlement of the order in which the state control hierarchy functions is an urgent task.

Along with this, lacking historical experience, not even representatives are sure of precisely what authority the ASZ should have. Confused by the fact that they regard themselves as increasingly underinformed and mislead by governmental organs, they expect too much from the ASZ, they want to assign too many functions to the ASZ, thus making up for their own shortcomings in expertise.

But some feel that one of the proponents of this legislation, the Central People's Control Committee [KNEB], is also driving this legislation in a direction to assign as much authority as possible to the ASZ, so that KNEB is enabled to salvage as much as possible of its existing apparatus.

The natural functional scope of the ASZ is to control state budgetary affairs. This in itself represents a large amount of work, but it can be efficiently performed provided that work is well organized. The ASZ may best serve Parliament if it concentrates on state budgetary control, and does not waste its time and energy on examining issues of detail under the jurisdiction of other control organs. There are an abundance of control organizations for these purposes, perhaps there are even too many of them, and perhaps the intent to concentrate so many tasks under the ASZ may be justified by the need to reduce fragmentation of control.

Impact of Czech Measure Proposed for Bos-Nagymaros Analyzed

25000449 Budapest NEPSZAVA in Hungarian 7 Sep 89 pp 1, 5

[Interview with Gyorgy Jakus, Northern Dunantul Region Environmental Protection and Water Resource Management deputy director; Gyorgy Jakab, Mahart deputy director; and Dr Peter Kovacs, Miskolc University of Law adjunct professor: "The Consequences of Changing the Danube Riverbed: Views of Water Resource Management, Shipping, and Legal Experts"; date and place not given]

[Text] We may say without exaggeration that the news item reported on radio yesterday noon has stirred up Hungarian public opinion. MTI's short report says that by changing the original plan for the construction of the Bos-Nagymaros barrage, Czechoslovakia intends to close the Danube riverbed at Gutor near Somorja, within its own territory, to be able to fill the Kortvelyes reservoir this year, and to start up the first turbine of the Bos power plant next July. Jozef Oblozinsky, the Czechoslovak head of the operating group directing construction of the barrage, presented the plan on Tuesday evening as part of the main news broadcast on Prague television.

It should be recalled that in a 22 August statement made to the Czechoslovak radio and news agency, Oblozinsky indicated for the first time that in Czechoslovakia they were weighing the feasibility of a new technical solution in the event that the Hungarian party did not fulfill its obligations at Dunakiliti. The original plans call for the Hungarian construction workers to close the old Danube riverbed by the end of October, and to reroute the water through the Dunakiliti dam, in order to fill the Kortvelves reservoir this year. Oblozinsky claims that since Hungarian investors notified the Czechoslovak party in early August that pursuant to instructions received from the Budapest government they would halt work for a year at the Bos section, Czechoslovakia had no other choice than to enable the filling of the Kortvelyes reservoir by applying the new technical solution. On 1 September, in a statement to the Pozsony [Bratislava] PRAVDA, Oblozinsky said that the alternative solution was in the planning stages, and that in this way they wanted to salvage a 9.5 billion koruna Czechoslovak investment at the Bos section. In the Tuesday evening main television newscast, Oblozinsky specifically designated Gutor, near Somorja, as the place where they intend to close the Danube riverbed. They intend to adjust the right hand dam of the Kortvelyes-Dunakiliti reservoir to this closure of the river, according to Oblozinsky, thus enabling the rerouting of the water to the headwater canal.

We asked Gyorgy Jakus, deputy director of the Northern Dunantul Region Environmental Protection and Water Resource Management Directorate at Gyor, about the consequences of the planned Czechoslovak measure that are detrimental to Hungary. This is what the expert had to say:

"It is difficult to make an accurate assessment of this at the moment. One fact can be established with certainty: The planned solution would have damaging, even catastrophic effects in three areas.

"First, the drastic reduction of the water supply below the Rajka state border section (Sections 1811-1850) of the Danube would clearly destroy the best of live organisms.

"Second, because of the water supply needed by the branch system of the Danube riverbed, the situation would be the same; this supply would have come from the Dunakiliti reservoir, but this is becoming simply impossible under the new circumstances. We are aware of the fact that technical people do not like the word "impossible," because in theory there is a technical solution for anything. But for this problem there is no solution!

"Third, and finally, there is the issue of the water supply of the Moson-Danube, which has thus far drawn its life from the Dunacsung dam system. Now this system is also endangered. By implementing the Czechoslovak alternative system, the already visible aging and drying process, the flood plains forest wilting catalyzed by the construction would accelerate and would reach its tragic fulfillment. We hoped that after completion of the entire construction we would be able to stabilize this process and to restore the forests to a level close to their original condition. (Even though there were some questions in this regard.) Primarily the Bos section is threatened by environmental damage. But as a result of the Czechoslovak solution ..., we are facing a catastrophic condition which professionals find difficult to perceive."

Well then, what should we call this situation? An exertion of pressure? Diversionary military maneuvers? Or should we perhaps call it simple extortion?

Whatever we call it, if the Czechoslovak plan is implemented, we are facing an unparalleled situation of danger with grave consequences.

How would the possible Czechoslovak measure affect shipping concerns? We asked Gyorgy Jakab, deputy director of the Hungarian Shipping Company [Mahart].

"An artificial waterway would evolve on one segment of the Danube. From a shipping standpoint this would be as if the reservoir had been built at Dunakiliti according to the original plan. But the Dunakiliti reservoir would play a role only in times of peak power production. Its original function would have been to collect the water, and at that time of day when energy consumption is at its highest, a larger volume of water would pass through the turbines. But the condition for peak production was the Nagymaros barrage; it would have caught the water and stored it so that at Nagymaros the Danube would have flowed evenly. But if one of the reservoirs is missing the other does not make sense, because the power plant cannot perform at its peak. If the Czechoslovaks unilaterally allow the water to pour into the bypass canal, this would mean from the shipping standpoint the same as if the original plan had been realized. That is, ships can also navigate through the bypass canal. In this regard, shipping was not a concern in the past, nor will it be the main issue in the future. Ships have been sailing on the Danube for many centuries, and we hope they will continue to sail for many centuries."

"The unilateral closure of the Danube riverbed violates the 1947 Paris peace treaty, signed by a number of countries, including the Soviet Union and the United States," according to Dr Peter Kovacs, an adjunct professor at the Miskolc University of Law. "Under the treaty, Czechoslovakia cannot take unilateral steps; it cannot change the border character of the Danube."

[NEPSZAVA] "Nevertheless indications are that this is what Czechoslovakia is preparing to do. What can the signatories to the treaty do in such a case?"

[Kovacs] "They may protest the conduct of the party which proceeds unilaterally—the conduct contrary to the treaty. Furthermore, there is a possibility for mediation proceedings in which a court of arbitration examines whether they have actually violated the treaty."

[NEPSZAVA] "But meanwhile the Danube would flow in its new riverbed."

[Kovacs] "The settling of such disputes is very difficult and time consuming. International law always favors negotiations, i.e. it prefers diplomatic solutions. It does so until the peace in a given area has suffered injury. Hopefully the conflict will not be elevated to such levels, and there will be no need for the services of peacekeeping forces wearing blue helmets."

[NEPSZAVA] "Accordingly, one cannot count on quick and effective help on the basis of international law. What can Hungary, a country most aggrieved because of the violation of its rights, do in such a case?"

[Kovacs] "In this case Hungary has the right to make use of so-called self-help, meaning that it can take countermeasures which do not violate the provisions of international law."

[NEPSZAVA] "What measures would qualify as such?"

[Kovacs] "It would be very difficult to give examples in such a situation. Any individual countermeasure must be weighed, and this is the government's job.

POLAND

Solidarity Daily on Sachs Plan To Revive Economy; Options Weighed

Comparisons With Other Countries Fall Short 26000719 Warsaw GAZETA WYBORCZA in Polish 28 Aug 89 p 4

[Article by Rafal Krawczyk: "Provided the Horse Survives"]

[Text] Today, after nearly 5 years of discussion, there are few specialists who doubt that a market action is necessary to save the Polish economy. Such an action cannot be fully set in motion without a basic property reform.

What is most astonishing, however, is the fact that frequently foreign specialists do not perceive the need for a great reform in the sphere of property rights. This applies even to those who have been working on Eastern Europe and its problems for some time. George Soros. a New York financier of Hungarian descent, employed two Harvard specialists specifically for this purpose-Jeffrey Sachs and David Lipton. Professor Sachs proposes a one-time, necessarily harsh treatment for Poland, i.e., the immediate introduction of the full convertibility of the zloty according to the market rate, the immediate elimination of all subsidies and the cessation of price regulation, ensuring total freedom of export and import, the immediate suspension of the repayment of the foreign debt and the introduction of complete freedom to create and develop private enterprise. In exchange for this. Jeffrey Sachs and David Lipton promise the elimination of inflation within a 6-month period, an increase in the living standard within that same period, and, within 10 years, the full entry of Poland into Europe.

The Sachs and Lipton program, however, seems to support the truth that the path to Poland's emergence from the crisis will not be laid out independently by any purely Polish group, because such a group is not sufficiently aware of the market system that functions well in the West. Likewise, it will not be worked out by any incidental foreign team paid by a wealthy financier. A first glance at the Sachs and Lipton program gives the impression that they have an incomplete understanding of the essence of the economic mechanism of real socialism. I have nothing against a one-time necessarily harsh treatment of the horse-provided the horse survives. On the other hand, this requires discretion and an excellent understanding of the two diametrically opposed systems of management. It seems to me that only a joint Polish-foreign team is in a position, through rounds of questions and answers, to reach appropriate and effective solutions for Poland. Meanwhile, Sachs and Lipton, for reasons unknown, are totally ignoring the growing discussion in Poland over the property issue in the economy.

The experiences of many Western consultants and consulting institutions are limited to familiarity with the

conditions of Third World countries. Many problems in this region seem similar to the problems of an economy of real socialism. However, this is only illusory. The system in which we live has created for itself and for its citizens a series of added difficulties and barriers unknown in poorly developed countries. For people outside the system this is not easy to understand.

If we adopt the assumptions of Sachs and Lipton regarding good money, it appears that the "evil" of the socialist economy lies precisely in those elements for which Rakowski's government offered its own solution. The last government tried the nomenklatura system, fundamentally applying such necessarily harsh treatment to the economy. Thus, it proceeded according to Sachs and Lipton's line of reasoning and the subjecting of the food economy to free-market principles was done in accordance with these counsels. Thus, it was proposed that food subsidies and price controls be lifted beginning 1 August. Reduced rates were announced for private enterprises working with food processing and new firms in this branch were exempt from taxes for 3 years. Thus, Deputy Premier Ireneusz Sekula was basically right when he defended the Rakowski government in the Sejm, saying that such radical decisions had never before been made in Poland.

What was the result? The Sejm called a Special Commission to study the actions of the government of Mieczyslaw Rakowski. And so, Ireneusz Sekula was right, but the Sejm was also right to appoint the commission. Every government in every country is always judged not by its intentions, its good will, and its desires, but by the real results of its actions.

Another example. Long ago, Yugoslavia implemented the Sachs and Lipton program. Prices have not been controlled there for a long time, no subsidies are granted, there is free exchange with foreign countries and the dollar is at its full market rate. What of it? There is quadruple-digit inflation and the socioeconomic crisis is growing and is reaching dangerous proportions, threatening the entire state.

Why should the use of these same instruments in Poland yield different results? There is one answer to this question: They will not yield these results, because both Poland and Yugoslavia are similar to Bolivia, Argentina, or Ecuador as viewed from the Harvard heights. Actually, there are many more differences than similarities. The cause of the Polish crisis is not subsidies, price control or restrictions in foreign currency turnover. All these matters do not constitute a direct cause of the crisis, but are themselves the consequence of a much deeper phenomenon.

The Polish economy, the Soviet economy or the Yugoslavian economy is sick in the socialized sector, in other words, because they lack a strong, dominant private sector. The immediate freeing up of all market forces, as proposed by Sachs and Lipton, could have many positive results, if they were combined into a program having a considerably

broader scope. In its present form, however, this proposal has one basic drawback: namely, within a very short time its implementation kills the the socialized economic sector, which is responsible for 80 percent of domestic production. Thus, the question arises: what will replace it? Sachs and Lipton offer no answer to this question. Meanwhile, a healthy and effective market mechanism cannot arise in Poland without the setting in motion of a free turnover of property rights. In order for such a turnover to arise and not be a marginal phenomenon, the state sector must cease being the property of the state and must become the property of private citizens. Meanwhile, the Sachs and Lipton proposal fails completely to take this into account.

Limitations in Polish Situation Noted

26000719 Warsaw GAZETA WYBORCZA in Polish 28 Aug 89 p 5

[Interview with Stanislaw Gomulka, lecturer, London School of Economics, by Marta Woydt: "Go for It All, but..."; date and place not given]

[Text] [GAZETA WYBORCZA] Although you are a supporter of Prof Sachs' idea, you are less optimistic than he is regarding its results.

[Gomulka] That is because I see certain limitations emanating from the specific situation of Poland and it seems to me that Western economists do not have the total picture of these limitations. Nonetheless, I believe that the reform that the new government should carry out must be considerably more radical than reforms that have been implemented until this time.

I have three kinds of reservations. In the first place, Sachs does not realize how much the Polish economy is monopolized. This means that enterprises often do not react to market incentives as they do in highly developed countries.

In the second place, most enterprises in Poland are in the hands of the state, i.e., the hands of a certain bureaucratic structure. This makes the reactions of both management and employees different than in capitalist countries. The attitude toward work is also different. Finally, there is a shortage of an experienced managerial cadre and of certain institutions indispensable to the operation of the market, such as genuine banks.

[GAZETA WYBORCZA] In spite of this, you still believe that we must go for it all?

[Gomulka] Yes, otherwise Poland will never emerge from the crisis. A basic change must be made in the approach to reform. This includes dropping official prices, especially for producer goods, introducing a uniform, free-market dollar rate and lifting all restrictions in the turnover of foreign exchange between enterprises. The price mechanisms set in motion in this way will ultimately enable us to determine which enterprises are really profitable and which are not. It will be a surgical instrument for structural changes in Poland.

[GAZETA WYBORCZA] At the meeting of the Citizens Parliamentary Club, you expressed fears that the Sashs shock treatment may not halt inflation.

[Gomulka] In countries with a private economy it is obvious that enterprises must be prepared for hard financing—they cannot spend more than they can afford. When they are having difficulties they cut back on their employment or they lower wages. Otherwise they just go bankrupt. These are the basic premises underlying Prof Sachs' program. Meanwhile, in Poland people are accustomed to the state's coming to the aid of an enterprise that is in trouble. Hence my fears.

If the Government is not in a position to reject the mass supplemental financing of deficit enterprises, those which cannot cope with sharp increases in the price of raw materials, energy, coal and imported goods, this program has no chance of succeeding. I use the word "mass," since I believe, unlike Sachs, that subsidies should be abolished gradually.

The Solidarity government can and should sharply requests for preferential treatment, but it cannot be at war with everyone. It must proceed in a flexible manner. Even Great Britain and France subsidized the metallurgical industry for many years. Mrs Thatcher did not cut subsidies simultaneously in the coal and steel industries. First she went after small, unprofitable enterprises and then she confronted metallurgy, leaving the confrontation with mining until last.

[GAZETA WYBORCZA] You yourself observed initially that the Polish economy is highly monopolized. In such a situation, a completely free market means price escalation.

[Gomulka] Obviously, monopolies must be eliminated and each multiplant colosses must be divided into smaller enterprises. However, this will not take place instantaneously. For the present, indirect solutions can be applied: a certain control of prices for certain products. But those prices must be few and they must be prices of equilibrium.

[GAZETA WYBORCZA] Do you believe that the fears of Polish economists that such a drastic reform will lead to a sudden decline in the living standard are unfounded?

[Gomulka] Some of these fears are valid, but what is the alternative? Is it to continue what was done through the 1980's? Society is awaiting radical measures. It understands that some sacrifices will have to be made. It is prepared for a hard policy, which will readily uncover and eliminate waste.

In order to reduce the degree of danger, we can certainly introduce some shelters: subsidies for the unemployed (although in my opinion unemployment will quickly be eliminated), subsidies for low income people and the equalization of wages in the budgetary sector with those in industry.

The new premier said: "Do not wait for the government, for me, think for yourselves what you can do. I will create the circumstances for you." This is a solid statement. And in the economy, the way to create the circumstances is to make prices real.

Stressful Economic, Social Costs Noted

26000719 Warsaw GAZETA WYBORCZA in Polish 31 Aug 89 p 3

[Statements by Jerzy Osiatynski, chairman, Sejm Commission on Economic, Industrial, and Construction System, as noted by Marta Woydt: "The Costs of the Sachs Plan"]

[Text] I like the Sachs program for many reasons. However, I do not think that we speak only of its virtues without demonstrating [its] costs.

If We Abolish Subsidies, What Will Happen to Prices?

These costs are primarily a significant increase in prices. In one stroke, Sachs wants to get rid of subsidies and introduce a uniform foreign exchange rate, which will make import considerably more expensive. However, he has not even given estimates of how much prices will increase. As long as we do not have such estimates, it will be hard to convince society, which, in the final analysis, has to pay for this program. Perhaps the previous government could afford such manipulations, but our government cannot.

There are certain kinds of subsidies which occur in many countries. It is not clear why we must begin by removing them in Poland. This is especially so since in some fields, even significant price increases do not decrease waste. If a wholesale price is paid for water or heat, a high price will not result from the decline in consumption.

The lifting of price controls advised by Sachs is undoubtedly advisable in terms of the direction to take things. However, where goods produced by monopolies are concerned, maximum prices should be set or at least margins should be regulated, in order to prevent the present situation whereby procurement prices have increased twofold while retail meat prices have risen eightfold. In my opinion, the assumption that import can compete with monopolies is unrealistic.

And What if People Take Capital out of the Country?

The same is the case with foreign trade. I agree that it should be liberalized, but Polish exporters must be bound by the ban on placing foreign exchange revenues in foreign banks. Otherwise, there will be nothing with which to finance import.

What Will This Do to the Trade Unions?

The Sachs program focuses attention on the development of the private sector. On the other hand, it does not

suggest what should be done with state enterprises, which produce at present 90 percent of Poland's industrial production.

Sachs is making reference to Korea and Taiwan. But he is silent about what has happened to the trade unions in these countries. Is our government supposed to assume that it will enter into a great war with Solidarity and the OPZZ [trade unions] or it will make them illegal? Undoubtedly, this will have to be done in order to carry out the Sachs program.

Let's Make a Soft Landing

It is a curious thing that it is primarily not economists who are in favor of Sachs's shock treatment. I often hear: "true, I am not an economist, but I support the Sachs program." I, on the other hand, see the inherent dangers. And if we take to the air, we, the economists, will answer for it.

The Sachs program, a quite generalized program overall, invites us to jump into an abyss and promises a soft landing. I would encourage a slow descent, and not a jump. The landing does not have to be such a soft one.

Efforts To Break Monopoly on Foodstuffs Seen as Haphazard

90EP0009a Warsaw TRYBUNA LUDU in Polish 2-3 Sep 89 p 1

[Text] The breakup of the hegemony of the monopolists on the food market was to have been one of the results of marketization. In practice, this looks different: Some are holding fast and nothing suggests that their position is wavering. Others are slowly yielding to their market partners.

In Inowroclaw, for example, the meat plants there want to get out from under the control of the District Meat Industry Enterprise in Bydgoszcz. As of yesterday they set up their own procurement center, which will be open three times a week.

In Inowroclaw the matter of accepting half carcasses also came to a head. It was introduced recently on an experimental basis in procurement center No 116 at Dworzec St. The workforces of other shops in the town began to do the same.

Our Koszalin correspondent sends us an example of how new monopolists are appearing on the open market.

The chairman of a group of farm producers negotiating prices with the meat, dairy and grain industry, the president of the Voivodship Union of Agricultural Circles and Organizations in Koszalin, Piotr Bodo, announced that he would willingly resign from the chairmanship of the group because he does not agree with the method of fixing procurement prices. Because what is being done?

Well, the groups dealing with price matters are made up of producers'representatives and it is they who are establishing procurement prices. Recently, under pressure from the State Farms, the procurement price of pork slaughter animals in Koszalin was raised (beginning 30 September) to 1,800 zlotys per kilogram. The reason given was that in the neighboring voivodships the price had already jumped to 1,900 and 2,000 zlotys.

Who, then, is the monopolist?

The assistant director of the District Meat Industry Enterprise in Koszalin, Antoni Megier, reports that when the procurement price of pork slaughter animals went up 250 zlotys, the sales price of a half-carcass jumped from 2,630 to 3,110 zlotys. The processing costs remain constant and amount to 8 percent, therefore the prices of both the raw meat and the cured meats are rising. Director Megier also asks, who is the monopolist in this case?

It is interesting that in the case of the procurement prices of grain, opinions are divided in the group which deals with prices. The State Farms representatives are in favor of moderate increases and the private farmers favor large increases. The mystery is that the State Farms themselves buy grain from the peasants, using it for feed.

Both negotiating sides agree that it is difficult to justify prices by any kind of calculation. They are simply dependent upon the current economic situation.

And one more brief note from Elblag Voivodship, which, from the standpoint of amount of meat in the shops, is presumably not in bad shape compared with other voivodships. True, "stand-ins" begin to form queues in front of meat shops during the night, but something can be bought at any time of the day.

Beginning the 31st of last month, the Meat Plants in Elblag set a new—already the fifth price—on the procurement of slaughter animals. The farmers now get 2,000 zlotys for a kilogram of Class I live hogs. But this time the increase in the procurement price does not carry with it an increase in retail prices. For example, pork loin costs 6,800 zlotys, pork shoulder costs 4,200 zlotys, ribs 1,900, bacon 2,300, boiled ham 9,600, weiners 2,300.

The management of the Meat Plants is getting ready to open up 10 of its own shops, in which prices will be lower than in the General Consumers' Cooperative network.

The State Grain Elevators is also saying that it will set up its own flour sales shops after a packaging factory is put into operation, because they now sell Wroclaw flour at 175 zlotys per kilogram and in the shop it costs 300 zlotys.

Starting the first of the month prices of dairy products in Elblag were reduced, despite the fact that the procurement price of milk from the farmers was raised 20 zlotys per liter. True, market mechanisms did not function here, but the rules for setting prices were changed. Now the price will be dependent on the current procurement

price and not on the summer-winter average. The profit on some products was also reduced. For example, the new price of whole milk is 200 zlotys (11 zlotys lower), extragrade

butter wrapped in parchment paper is 1,067 zlotys per cake, 9-percent cream is 628 zlotys per liter. Hard cheeses will be from 50 to 200 zlotys cheaper per kilogram.

CZECHOSLOVAKIA

New Law on Alcoholism Summed Up 90EC0012a Prague SVOBODNE SLOVO in Czech 26 Sep p 3

[Editorial: "Against Alcoholism"]

[Text] "Alcoholism and other drug addictions, including smoking, are negative phenomena which cause considerable harm to society, particularly to citizens' health. All agencies and organizations, as well as citizens who sell goods or provide other services, are duty bound to protect citizens and society from the harmful effects of alcoholism and other drug addictions including smoking, eliminate their causes and consequences, and thus create more favorable conditions for further development of socialist society." (Paragraph 1, subparagraph 1, Law No. 37/1989, Laws of the Czechoslovak Socialist Republic)

Recently, we wrote in this place about the effects of alcoholism. About how a drunken man in a state of pathological alcoholic intoxication beat his friend to death. We made clear to ourselves the responsibility for actions committed while intoxicated, we pointed out the effects of intoxication, and we warned against alcoholism.

This was no idle warning. Judge for yourself. From the sixties to the eighties the consumption of alcoholic beverages in the CSR basically doubled; recalculated to pure alcohol, it rose from 5.9 litres per citizen in 1963 to 9.2 litres in 1984. On the average, each CSR citizen paid Kcs 639 for alcoholic beverages in 1965, and in 1985 already Kcs 1,882. Expenditures for alcoholic beverages make up one fifth of the total expenditures for food.

Alcoholism is one of the important causes of crime. The percentage of crimes committed under the influence of alcohol is constantly increasing. Whereas, for example, in 1962 it amounted to 16 percent, in 1984 it already amounted to 32.5 percent. The influence of alcohol is evident particularly in traffic accidents. During the past several years, every 15th accident was caused by a driver under the influence of alcohol. And whereas worldwide one person was killed in every 65 accidents, one person was killed by a driver under the influence in every 37 accidents here. Alcoholism is a frequent cause of parasitism, absenteeism, and job changing, it undermines work discipline and contributes to the accident rate in the work place.

The number of divorces as a result of alcoholism increased from 14 percent in 1972 to 17.3 percent in 1984. About 20 percent of children in child-care centers come from families of alcoholics.

These stark numbers express by themselves the necessity to intensify the struggle against alcoholism. At the same time they show that the existing protection of society against alcoholism—set down in the former regulations, Law No 120/1962 of the Laws of the Czechoslovak

Socialist Republic, on the struggle against alcoholism—did not prove very effective. For that reason new amendments to the law were passed.

On 1 July of this year, the law of the Czech National Council No 37/1989, Laws of the Czechoslovak Socialist Republic, went into effect. Its purpose and goal are expressed in the introductory statement, quoted at the beginning of this article. This modification broadens the protection against alcoholism. It applies-besides alcoholism-also to other drug addictions, including the habit of smoking as a drug addiction of a special kind. The methods of prevention and penalizing are more forceful and more consistent. Among them are education, various restrictive measures, care in antialcoholic detention centers, therapeutic preventive care, social care, but also fines and other penalties. The point, therefore, is not only to prevent the harmful effects, but also to prevent and eliminate the destructive reasons which lead to alcoholism and other drug addictions.

Education is to concentrate mainly on making clear the harmful effects of excessive or otherwise harmful consumption of alcoholic beverages, habitual use of other substances and smoking, also on educating and influencing children and young people in schools by pointing out the harmful effects of such behavior, explaining the principles of a healthy life style, directing children, young people, and adults toward a use of free time beneficial to health, and on promoting the consumption of nonalcoholic beverages.

Very effective should be the prohibitions and restrictions of selling, serving, and consuming alcoholic beverages and of using other addictive substances. The law strictly and unequivocally prohibits selling and serving alcoholic beverages or making possible their consumptions in other ways: 1) to persons younger than 18 years; 2) in health care facilities and in social services facilities; 3) to persons obviously under the influence of alcohol or other addictive substances; 4) to persons immediately before they are to drive a motor vehicle or a nonmotorized road vehicle; to persons who perform activities during which they could endanger people's life or health or damage property, during the time they perform such activities or immediately before if during the performance of such activities they could still be under their influence; 5) in sports facilities; 6) in cultural establishments and dances intended for young people; 7) in public gatherings, cultural establishments, and dances, with the exception of beer and wine; 8) in vehicles intended exclusively for domestic mass transportation of people and in areas connected with such transportation intended for travellers, that is, in restaurants, coffee shops, dining rooms, and sleeping cars, with the exception of beer with an alcohol content of no more than 10 percent. Other prohibitions pertain to the production of alcohol, distillates, and other addictive substances at home or their processing, the sale of addictive substances and products which contain them other than in designated shops, etc. It is prohibited to sell tobacco products to persons younger than 16 years.

The law also enumerates locations and establishments where smoking is prohibited.

The law also points to Paragraph 135, subparagraph 2, Letter b) of the Work Code. According to it, workers are obligated not to consume alcoholic beverages or abuse other drugs in work places and during working hours even away from those work places, or come to work under their influence, and to observe the law that prohibits smoking in work places.

Under this law, considerable penalties are imposed for not observing the existing laws, restrictions, or duties. The district national committee can impose fines of up to Kcs 50,000 for such transgressions; and the local national committee can impose a fine of up to Kcs 5,000 on citizens selling goods or providing other services.

GERMAN DEMOCRATIC REPUBLIC

Churches Have Place in Society, Enjoy Benefits

23000234 East Berlin BERLINER ZEITUNG in German 2/3 Sep 89 p 11

[Article by Miriam Berger: "Socialism and Religion Are Not Mutually Exclusive"]

[Text] A natural aspect of socialism in the GDR is its plurality of churches and religious groups. They differ in tradition, the way they see themselves, theological doctrine, size, and structure.

The constitution of the GDR recognizes eight regional Protestant churches which in 1969 formed the "League of Protestant Churches," the Catholic Church with its two dioceses, one apostolic administration, and three episcopal offices, and 31 smaller churches, or rather religious groups, of more than parochial, and in some cases even international importance. Among them are the New Apostolic Church, the Protestant Methodist Church, the League of Protestant Independent Communities (Baptists), the Seventh-Day Adventists, the Latter-Day Saints (Mormons), and the only non-Christian religious community—the Association of Jewish Communities.

All churches and religious groups are equal under the law.

The regional Protestant churches consist of about 6,200 local districts with approximately 3.4 million members and 4,000 ministers. Church records show that nearly 1.1 million Catholics live in the GDR. They are ministered to by 1,100 priests and some of the 135 ecclesiastics that belong to a specific order. About 245,000 GDR citizens belong to other churches and religious groups. According to estimates, about 28 to 30 percent of those living in the GDR say that they belong to one church or another.

The GDR's commitment to the social security of her citizens applies also to those who hold office in—or work for—a church. Since its foundation, the state has supplemented ecclesiastic salaries, and at present pays M 11 million a year. In the 1970's and 1980's, the state agreed

to terms that cover pensions for tenured ecclesiatic laypersons. Such actions are clear proof of the state's social commitment.

Charitable work by churches and religious communities is very highly regarded in the GDR. Churches own 76 hospitals with 11,234 beds—about 14 percent of all hospitals and 7 percent of all beds. Some of them, such as the Protestant Paul-Gerhardt-Stift in Lutherstadt Wittenberg and the Catholic St. Vincenz Hospital in Heiligenstadt, function as regional hospitals. In addition, churches and religious communities operate about 380 rest and nursing homes, 150 homes for the mentally retarded and physically handicapped, and many other institutions that provide social services (day-care centers, children's homes, dormitories for nurses, recreation and health resorts, and so on).

The socialist state supports this deserving charity work performed by about 23,000 laypersons very generously. The constitution in paragraph 2, article 39, provides a basis for training those who want to work in church-run hospitals or social service institutions and need to be trained as skilled medical personnel on the middle level. The state provides the necessary scholarships and support. Over the past 10 years this aid came to over M 75 million. State subsidies for medical care has enabled such institutions to offer the same quality of care and the same salaries as state-run medical and social care facilities.

It is impossible to imagine our towns and villages without their churches and chapels—all in all about 10,000—some of great material and cultural value. The war destroyed or severely damaged about 3,098 churches, but by 1957, 1,400 Protestant churches, 50 Catholic churches, and 79 churches and community centers of other denominations were rebuilt. An additional 52 Protestant churches, 75 Catholic churches plus 39 so-called emergency churches, and 196 other-denominational churches and centers were built new. All this was made possible by extensive material and financial state aid.

Since then, the state has continued this policy, and is committed to it in the future. In accordance with a building program that was worked out between church and state, the years 1973 through 1988 saw the rebuilding and reconstruction of 107 Protestant churches, 54 Catholic churches, and numerous social and charitable institutions. Since 1978, over 20 Protestant churches and an equal number of Catholic churches and community centers have been built in new residential areas. Such facilities make it easier for many Christians to worship and to feel at home; they are an expression of churches and Christian communities in the socialist state.

Also, since the early 1950's, about 20 percent of the central monument fund have been used for the restoration and upkeep of buildings used for ritual worship. The most recent example is the reconstructed and restored St. Nikolai Cathedral in Greifswald.

Church-owned land in the GDR has neither been touched by the democratic land reform nor by the

socialist restructuring of agriculture. The Protestant church owns about 170,000 hectares of agricultural area and 33,000 hectares of forest. The Catholic church owns 30,000 hectares agricultural land and 5,000 hactares of forest. Parts of these grounds are cultivated by other agricultural operators on the basis of agricultural user contracts.

HUNGARY

Gypsies Face Deportation From Municipality

25000485 Budapest NEPSZABADSAG in Hungarian 30 Sep 89 p 7

[Article by Sandor Rege: "Decision at Kerepestarcsa: Gypsies Being Sold Out"]

[Text] The council prefects at Kerepestarcsa have decided to get rid of Gypsies, at least those who live in the hovels and cots at village's end. Although many of them would build houses, village residents will not permit them to do so.

Their calvary began in September 1987. The council executive committee decided to do away with the Gypsy settlement, and to provide a lot near the former sand and gravel pit for credit worthy Gypsy families. Many Gypsies believed at the time that the vicissitudes of their lives would come to an end.

"We drove in the stakes and my husband built a wire fence on the stakes," Mrs Bela Bango recalls. "But all of a sudden we received a message saying that they had forgotten to include something in the contract, and asked that we return it. Using this trick the council invalidated the contract."

The Council Decides

The background to this story includes the fact that the inhabitants of a residential development completed in the meantime—elegantly called the "Netherlands Development"—gathered signatures demanding the removal of the Gypsies. This is why the valid contract was rescinded, as agreed upon by all except one council leader.

"I voted against the resolution at the time," according to Council Executive Committee Secretary Mihaly Mladoniczki.

[NEPSZABADSAG] "So you disagreed with the council chairman?"

[Mladoniczki] "I do not approve of taking back the lots. Then a decision was reached according to which we would provide space for construction at Gyar Street. Ten or twelve families have been building houses there anyway. So we allocated another 11 lots."

Once again the "conquest" of the land, fence building, and foundation laying began. And once again the council received a letter of protest, bearing 200 signatures this

time. In midsummer the Kerepestarcsa council convened in special session. According to the minutes, the council president had this to say at the meeting: "We cannot allow this anti-Gypsy mood to continue." And then: "We are not strong enough to accept Gypsies." The latter statement probably came from the people's hearts, because the council unanimously deprived the Gypsies of the assigned lots.

[Mladoniczki] "One cannot disregard a popular protest of this magnitude."

[NEPSZABADSAG] "Did it not occur to you that perhaps the majority is wrong? Or that settlement is a fundamental human right, and to prevent settlement constitutes persecution and prejudice?"

At first the executive committee secretary remained silent and gazed, then brought up the matter of administrative rules. Everything that took place was consistent with the rules. Accordingly, there is no need for debate.

Dissimilar Human Rights

"And now they are sending us a hundred kilometers away," an outraged Mrs Horvath, the daughter of Mrs Bango shouts. "They wanted to buy houses for us in Nagyloc, Nograd County."

"They bought one for me," Mrs Ferenc Lakatos Jr said. Even though we had already dug the foundation on our lot. That's when they told us to return the contract and that they would buy us houses. I went to Nagyloc. It turned out that I could not find work there. I have been employed by the local cooperative for 18 years; I made good money. How could I go to Nagyloc with my six children, but without work?"

Mrs Bango, the spokeswoman for the Gypsy settlement at the sand and gravel pit, quiets the women who surround her.

[Bango] "I have lived here for 40 years. I brought up 14 of my children here. I never had any trouble with the law, nor did my children. Why don't they turn on the gas valves, the way they did during the war, and then its all over. But they should not make empty promises. Our house would be finished by now had they permitted us to begin construction 2 years ago. Last summer they promised that we could buy a house in the village. Only a down payment is needed; let us tear down the huts, let us sell the building material that can be found in the wreckage. Well, we lived all summer long under the open sky. No one wanted to buy the building material, and nowhere could we find a lot or a vacant house to buy. Why is it that anything can be done to Gypsies?"

[NEPSZABADSAG] "Perhaps because the residents in this area do not like the way you conduct yourselves."

[Bango] "Why generalize about Gypsies? Certainly there are drunkards and bums among us, and we do not get along with them either. But we were the ones they prevented from building houses."

I was looking for someone in the area who had signed the petition in order to discuss the reason for his protest. The women directed me to Uncle Bela. He always chases away Gypsy children and sends dogs after them.

[Uncle Bela] "These parents do not bring up their children properly. They warp the fence and take the fruit. I see it because I'm home; sure enough I'll chase them away."

[NEPSZABADSAG] "Hasn't the idea occurred to you that these circumstances would be settled if you would let them build on their own lots?"

[Uncle Bela] "Come on now," the old man waves his hand. "These people are engaged in mobile criminal activities; I know them well. The police newspaper always said that the only way to resolve the situation is to disperse them."

[NEPSZABADSAG] Were you working for the Ministry of the Interior?

[Uncle Bela] "Yes, therefore you cannot tell me anything new. Ever since 1965 they have promised to liquidate this settlement. You know what? When we went to the Kerepes council they told us that the Gypsy settlement belonged to Kistarcsa. If we complained in Kistarcsa we were told to go to the Kerepes council. And now they began carving lots without asking us. They make empty promises both to them and to us."

Deportation 1989

Upon request from one of the Gypsy families, the council purchased a house for that family in Nagyloc, Nograd County. This is where council chairwoman Mrs Vass, Ilona Nyeki got the idea when she had this to say at the executive committee meeting: "The newly arrived settlers should be settled in some other area." This refers to about 500 of the approximately 1,000 persons of Gypsy origin, who were not born in that village. They would love to sell them to Nograd. (People at Nagyloc are protesting already, even though negotiations thus far pertain to the purchase of only three houses.)

I asked both Executive Committee Secretary Mihaly Mladoniczki and Uncle Bela whether they felt that we had done something wrong, considering the fact that to this date we have been unable to resolve the problem of the Gypsies.